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LEGISLATIVE HISTORY

Public Law 85-279
H. R. 9302

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Index and summary of H. R. 9302

- Aug. 15, 1957 House Appropriations Committee reported H. R. 9302 without amendment. House Report No. 1172. Print of bill and report.
House passed H. R. 9302 with amendments.
- Aug. 16, 1957 H. R. 9302 was referred to the Senate Appropriations Committee. Print of bill as referred.
- Aug. 26, 1957 Senate committee reported H. R. 9302 with amendments. Senate Report No. 1117. Print of bill and report.
Various discussions of bill.
- Aug. 27, 1957 Senate passed H. R. 9302 as reported. Print of bill with Senate amendments numbered.
Both Houses appointed conferees.
- Aug. 28, 1957 House received conference report on H. R. 9302. H. Report No. 1268. Print of report.
- Aug. 29, 1957 Senate agreed to conference report.
- Aug. 30, 1957 House agreed to conference report.
- Sep. 3, 1957 Approved: Public Law 85-279.

DIGEST OF PUBLIC LAW 85-279

MUTUAL SECURITY APPROPRIATION ACT, 1958. Provides \$52,000,000 for development assistance; \$300,000,000 for advances to the development loan fund; \$125,000,000 for technical cooperation; \$15,500,000 for contributions to the U. N. expanded program of technical assistance; and \$2,200,000 for payments of ocean freight charges on shipments of U. S. voluntary relief agencies.

Digest of CONGRESSIONAL PROCEEDINGS

OF INTEREST TO THE DEPARTMENT OF AGRICULTURE

OFFICE OF BUDGET AND FINANCE
(For Department Staff Only)

Issued August 16, 1957
For actions of August 15, 1957
85th-1st, No. 148

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HIGHLIGHTS: House passed mutual security appropriation bill. Conferees agreed to file report on bill to exempt from quotas wheat used on farm where produced. Senate confirmed Paarlberg nomination. Senate committee reported supplemental appropriation bill.

HOUSE

1. MUTUAL SECURITY APPROPRIATIONS. By a vote of 252 to 130, passed with amendments H.R. 9302, the mutual security appropriation bill for 1958. (pp. 13497, 13499-538). The bill was reported without amendment by the Appropriations Committee earlier in the day (H. Rept. 1172). (p. 13544) As reported and passed the bill includes \$300 million for advances to the development loan fund, \$113 for technical cooperation, and \$15,500,000 for the U.N. expanded program of technical assistance of which amount the U.S. contribution to the 1958 calendar year program shall not exceed 33.33 percent of the U.N. program.
2. WHEAT. The conferees agreed to file a conference report on S. 1959, to exempt certain wheat producers from liability where all the wheat crop is fed or used for seed or food on the farm where produced. p. D786
3. PERSONNEL. The Post Office and Civil Service Committee reported with amendment S. 1740, to authorize the payment from the Employees' Life Insurance Fund of expenses incurred by the CSC in assuming and maintaining the assets and liabilities of certain beneficial associations (H. Rept. 1174). p. 13544
The Post Office and Civil Service Committee ordered reported S. 1411, to give agencies discretion in either suspending or retaining on duty a Federal employee prior to security hearings. p. D786
Rep. Philbin urged the passage of pay raise legislation before adjournment of Congress. p. 13538

4. SURPLUS COMMODITIES. The Merchant Marine and Fisheries Committee reported with amendment H.R. 6959, to authorize the use of CCC surplus commodities to augment the food supplies for migratory waterfowl (H. Rept. 1178). p. 13544
5. DROUGHT RELIEF. Rep. Thompson, N.J., spoke of the need for drought relief in N.J., and inserted correspondence, including his letter to the President, on the matter. pp. 13538-39
6. EGG PRICES. Rep. Knutson urged an increase in the price of eggs to the farmer. p. 13539
7. LEGISLATIVE PROGRAM. Rep. Albert announced the conference report on S. 1747, the poultry inspection bill will be considered today, Aug. 16. p. 13538

SENATE

8. NOMINATIONS. By a vote of 42 to 32, confirmed the nomination of Don Paarlberg to be Assistant Secretary of Agriculture and member of the CCC Board. The debate included a general discussion of farm policy and programs. pp. 13617-41
Confirmed the nomination of Jerome K. Kuykendall to be a member of the Federal Power Commission, 50 to 25, after general debate on power policies. pp. 13554-9, 13575-93, 13595-615
9. WATER RESOURCES. Disagreed with the House amendment to S. 1482, to amend the Columbia Basin Project Act so as to increase the limitation on the acreage which one family might have of irrigated land. Senate Conferees were appointed. p. 13569
10. RECORDS; ADMINISTRATIVE LAW. Sen. O'Mahoney submitted a star print of a revised report from the Judiciary Committee on S. 2377, to amend the procedures regarding demands for reports and statements of witnesses, and Sen. McNamara stated his opposition to the bill and inserted an editorial contending the bill was unnecessary and hastily drawn up. pp. 13593-4
Without objection the Judiciary Committee then withdrew its previous report (S. Rept. 569) on S. 2377.
11. FORESTRY. The Interior and Insular Affairs Committee submitted a report on Timber Sales, Quinalt Indian Reservation, Wash., to be printed after Aug. 24 with a minority report by Sen. Watkins (S. Rept. 971). p. 13549
12. FOREIGN AID. Sen. Smith, N.J., urged the passage of the full amount authorized for the mutual security bill, and inserted the President's press release opposing some cuts and urging their restoration by the Senate. p. 13552
13. ROADS. Sen. Neuberger inserted two editorials urging haste in disposing of the highway signboard bills held in Committee (pp. 13552-3), and later stated the Public Works Committee would meet Aug. 20 to consider the bills (p. 13595).
14. NATURAL RESOURCES. Sen. Mansfield inserted an editorial on the "machinery" of the "Greatest Air Conditioning System in the World," the mountains, streams, and forests which treat air currents to give Mont. a cool climate. p. 13553
15. POSTAL RATES. Sen. Johnston announced the Post Office and Civil Service Committee would study H.R. 5836, to increase postal rates, very carefully before passing judgement on it. p. 13595

MUTUAL SECURITY APPROPRIATION BILL, 1958

AUGUST 15, 1957.—Committed to the Committee of the Whole House on the State of the Union and ordered to be printed

Mr. PASSMAN, from the Committee on Appropriations, submitted the following

R E P O R T

[To accompany H. R. 9302]

The Committee on Appropriations submits the following report in explanation of the accompanying bill making appropriations for Mutual Security for the fiscal year ending June 30, 1958.

SUMMARY OF BILL

The total of the budget estimates submitted in House Document No. 225 dated August 14, 1957, is \$4,001,460,000. Of this amount, new appropriations totaling \$3,386,860,000 are proposed. The reappropriation of \$614,600,000 of unobligated balances of prior year funds is also requested. In addition, the sum of \$93,673,000 remaining unobligated in the President's fund for Asian economic development continues available through June 30, 1958. The total obligational authority contemplated by the Budget for the fiscal year, therefore, is \$4,095,133,000.

The accompanying appropriation bill for 1958 includes new appropriations of \$2,524,760,000, together with the reappropriation of unobligated prior year balances in the amount of \$667,050,000. These amounts, together with the carryover balance available from the President's Asian fund, will provide new obligational authority of \$3,285,483,000 for fiscal year 1958.

The funds recommended for the coming year are \$815,560,000 less than amounts provided for fiscal year 1957. They are a reduction of \$809,650,000 in the President's 1958 budget request. The principal cuts are in amounts requested for mutual defense assistance, the new development loan fund, and the special assistance authorization.

The following tabulation summarizes the amounts requested and provided for major programs. A detailed breakdown by individual item will be found at the end of the report.

Items	Appropriations, 1957	Estimates, 1958	Recommended, 1958	Bill compared with—	
				Appropriations, 1957	Estimates, 1958
Mutual defense assistance:					
Military assistance—	\$2,213,000,000	\$2,138,800,000	\$1,788,800,000	-\$424,200,000	-\$350,000,000
Defense support	1,161,700,000	750,000,000	621,000,000	-540,700,000	-129,000,000
Total, mutual defense assistance	3,374,700,000	2,888,800,000	2,409,800,000	-964,900,000	-479,000,000
Economic and technical cooperation:					
Development assistance—	250,000,000	52,000,000	52,000,000	-198,000,000	-200,000,000
Development loan fund	152,000,000	500,000,000	300,000,000	+300,000,000	-26,900,000
Technical cooperation		168,900,000	142,000,000	-10,000,000	
Total, economic and technical cooperation	402,000,000	720,900,000	494,000,000	+92,000,000	-226,900,000
Other programs	230,670,000	391,780,000	288,070,000	+57,340,000	-103,750,000
Total, mutual security:					
Appropriation	3,766,570,000	3,386,860,000	2,524,760,000	-1,241,810,000	-862,100,000
Unobligated balance	240,800,000	614,600,000	667,050,000	+426,250,000	+52,450,000
Total	4,007,370,000	4,001,460,000	3,191,810,000	-815,560,000	-809,650,000

EXPENDITURES

The estimated expenditures for this program for fiscal year 1958 total \$3,900,000,000. Of this amount, \$2,200,000,000 is for military assistance and \$1,700,000,000 is for the economic programs, including defense support.

The total unexpended balance for the entire Mutual Security program as of June 30, 1957 was \$6,195,000,000. This amount plus the new funds recommended in the accompanying bill in the sum of \$2,524,760,000 will make total funds of \$8,719,760,000 available for expenditure. This figure is approximately two and one-fourth times as large as the annual expenditure requirements of this program as estimated by the Military and ICA officials. If there were no new funds appropriated for 1958 for these purposes, the existing unexpended funds would run well beyond January, 1959.

PUBLIC LAW 480 FUNDS

Foreign currencies received for agricultural commodities sold abroad under Title I of Public Law 480, the Agricultural Trade Development and Assistance Act of 1954, are available for various activities of the Federal Government, including the Mutual Security program. For many purposes, such funds are available to the agencies involved without dollar reimbursement. This has the effect of supplementing regular appropriations to the extent that such currencies are used.

Through the fiscal year 1957, a total of \$3 billion of Public Law 480 sales were authorized. Recent legislation will increase this amount to \$4 billion.

As of June 30, 1957, sales agreements totaling \$2.997 billion had been negotiated with a world market value of \$2.094 billion. Of this amount \$1.517 billion will be available for activities related to the Mutual Security Program, as follows:

Military procurement (see. 104c)-----	\$243,700,000
Multilateral trade (sec. 104d)-----	42,400,000
Economic development grants (sec. 104e)-----	61,500,000
Economic development loans (see. 104g)-----	1,169,300,000

From these figures it can be seen that, in addition to the funds provided in this bill, large sums will also be available to supplement appropriations for various Mutual Security Programs. For instance, over one billion dollars of foreign currencies will be available under section 104g of Public Law 480 for economic development loans throughout the world. Further, over \$100 million is available for multilateral trade purposes and economic development grants from Public Law 480 sources. And these amounts will increase substantially as agreements are negotiated under the additional one billion recently authorized for Public Law 480.

The Committee expects that these local currencies will be used to meet the needs of Mutual Security programs as far as possible.

MILITARY ASSISTANCE

Programs included under this general head are designed to provide the military equipment, training, and direct forces support for forty nations to develop or maintain specific military and related units at a given level of effectiveness.

The authorization request for military assistance was \$1,900,000,000 plus the reappropriation of the unobligated balance which was originally estimated at \$500,000,000. The following table shows the proposed distribution by area of the authorization request of \$2,400,000,000.

Europe-----	\$388, 509, 000
Near East, South Asia and Africa-----	390, 407, 000
Asia and Pacific-----	689, 829, 000
Latin America-----	25, 956, 000
Non-regional-----	955, 299, 000

The authorizing legislation provides that not to exceed \$1,600,000,000 may be appropriated for this item. Section 548 of the Mutual Security Act also provides that unexpended balances of funds heretofore made available under authority of that Act, are authorized to be continued available for the general purposes for which appropriated.

The Committee recommends an appropriation of \$1,250,000,000 for this item plus the reappropriation of \$538,800,000 (the latest estimated amount unobligated as of June 30, 1957). This will provide \$1,788,800,000 for obligation during the fiscal year 1958. This amount is \$114,600,000 more than was actually obligated and reserved during fiscal year 1957 and is \$939,880,000 more than was actually obligated and reserved during fiscal year 1956.

The estimated unexpended balance for Military Assistance as of June 30, 1957 was \$4,262,000,000. This amount plus the recommended new appropriation of \$1,250,000,000 would provide a total of \$5,512,000,000 for future expenditure. The estimated expenditures for this item for fiscal year 1958 as submitted to the Committee by the Defense Department total \$2,200,000,000. The total available therefore will provide a two and one-half year pipeline at that estimated expenditure rate.

DEFENSE SUPPORT

In past years the term "Defense Support" included, for nations receiving substantial military assistance, some economic assistance provided for purposes other than defense such as economic development. For fiscal year 1958 there is included under this heading only that aid necessary to enable a country to raise and support military forces for the common defense and to assure the maintenance of United States military bases abroad.

The authorization request for this item was \$900,000,000, as follows:

Europe-----	\$30, 000, 000
Near East, South Asia and Africa-----	202, 000, 000
Far East and Pacific-----	668, 000, 000

The amount for individual countries is classified. The countries included are: Spain, Greece, Iran, Turkey, Pakistan, Ethiopia, Libya, Morocco, Cambodia, Korea, Laos, Philippines, Taiwan, Thailand and Viet Nam.

The authorization bill as passed by the House provided a total of \$600,000,000 for this item. The Senate bill provided \$800,000,000 and the Conference figure was \$750,000,000, the same amount as the Budget estimate.

There is recommended in the accompanying bill an appropriation of \$585,000,000 plus the reappropriation of \$36,000,000 of prior year balances, making a total of \$621,000,000 available for this item.

The estimated unexpended balance for this item as of June 30, 1957, was \$1,288,196,000. This amount together with the new appropriation will make a total of \$1,873,196,000 available for expenditure. The estimated expenditures for fiscal year 1958 for this item are \$1,101,995,000.

DEVELOPMENT ASSISTANCE

No new appropriations are proposed for this item for fiscal year 1958. It is expected that the new development loan fund together with the special assistance authorization carried elsewhere in the bill will take the place of this activity.

However, it was requested in the budget estimate that not to exceed \$52,000,000 of the unobligated balances of funds heretofore made available for development assistance be continued available in fiscal year 1958 for the purposes originally intended. This amount is to cover agreements negotiated during the past year with Saudi Arabia, Burma and Indonesia, for which obligations could not be recorded because they were not signed prior to June 30, 1957. The Committee has included language in the bill to continue this amount available during fiscal year 1958 to honor these agreements.

DEVELOPMENT LOAN FUND

The purpose of the Development loan fund as stated in section 201 of the Act is "to strengthen friendly foreign countries by encouraging the development of their economies through a competitive free enterprise system; to minimize or eliminate barriers to the flow of private investment capital and international trade; to facilitate the creation of a climate favorable to the investment of private capital; and to assist, on a basis of self-help and mutual cooperation, the efforts of free peoples to develop their economic resources and to increase their productive capabilities."

The authorizing legislation provided that not to exceed \$500,000,000 may be appropriated without fiscal year limitation for this fund. In addition, there was authorized to be appropriated to the President without fiscal year limitation, for advances to the Fund beginning in the fiscal year 1959, not to exceed \$625,000,000.

The Committee has included in the bill the sum of \$300,000,000 for this fund, which is a reduction of \$200,000,000 in the amount of the budget estimate and in the amount authorized. It is believed that the amount recommended will be sufficient to get the fund started, since the first two months of the fiscal year will have elapsed prior to

the enactment of this appropriation. Language in the bill provides that these funds shall remain available until expended.

In addition, the Committee has recommended the reappropriation of \$52,000,000 for Development assistance as previously set forth in this report.

TECHNICAL COOPERATION

Technical cooperation—known also as Point 4—involves the sharing of skills, knowledge, and techniques with people of the underdeveloped areas of the world. Such programs are carried out at the request of foreign governments to supplement their own efforts to increase their levels of technical competence, to further their economic development, and to improve the standard of living of their people. Technical cooperation is extended by sending technicians to participating countries to advise and teach, and by bringing selected foreign technicians to the United States or other countries for advanced training.

Funds have been requested for proposed programs for 57 nations and dependent territories on a direct government-to-government basis, which is the General authorization item. In addition, United States contributions to technical assistance programs through the United Nations are requested in the item, United Nations Technical Assistance. There is also an item for the Organization of American States.

Technical cooperation, general authorization.—The budget request for this purpose is \$151,900,000. This is broken down by areas as follows:

Area	Budget estimate
Europe-----	\$3, 500, 000
Near East-----	23, 960, 000
South Asia-----	24, 040, 000
Africa-----	11, 700, 000
Far East and Pacific-----	39, 000, 000
Latin America-----	35, 000, 000
Interregional expenses-----	14, 700, 000

The Committee recommends an appropriation of \$113,000,000, plus the reappropriation of \$12,000,000 of the unobligated balance of prior year funds, making a total of \$125,000,000 available. While this is a decrease of \$26,900,000 in the budget estimate, it is approximately the same amount as was obligated during fiscal year 1957.

The unexpended balance for this item as of June 30, 1957 was \$165,163,000 which is considerably more than a full year's expenditure requirement.

The amount provided for 1958 should be adequate in view of the continued difficulty being experienced in recruiting qualified personnel. It is believed that fewer well directed projects with fully qualified personnel will produce more effective long-range results.

United Nations technical assistance.—The Committee has included \$15,500,000 in the bill for this item, which is the full amount of the budget estimate and the authorization. The language carried in the Act last year limiting the United States contribution to 33.33 percent of the total program is repeated in this bill.

Organization of American States.—The full budget estimate of \$1,500,000 is recommended for 1958. This is the same amount as was provided for 1957.

OTHER PROGRAMS

Special assistance, general authorization.—The Mutual Security Act of 1957 authorizes the appropriation of not to exceed \$250,000,000 to the President for the fiscal year 1958 for use on such terms and conditions as he may specify for assistance designed to maintain or promote political or economic stability or for assistance in accordance with the provisions of that Act applicable to the furnishing of assistance under Title I (military assistance and defense support), section 304 (technical cooperation), section 405 (assistance for migrants, refugees, and escapees), or section 407 (Palestine refugees). The authorizing Act also provides that \$50,000,000 of the funds authorized for this item may be used for emergencies and contingencies in accordance with the provisions of section 401 (a) of the Mutual Security Act as amended.

According to the justifications submitted to the Committee, only \$100,100,000 has actually been programmed, and such programming is on an illustrative basis as follows: \$19,400,000 for malaria eradication; \$10,000,000 for Hungarian refugees; \$3,400,000 for Western European technical exchange; and \$67,300,000 for certain specific countries, the breakdown of which is classified.

The Committee has included in the bill the amount of \$175,000,000 for this item, a reduction of \$75,000,000 in the amount of the budget estimate. This will fully cover the illustrative programs presented to the Committee plus approximately \$75,000,000 to meet unforeseen emergencies and contingencies.

In addition, an unobligated balance of \$93,673,000 in the President's Fund for Asian economic development will be available during the year.

The Committee has noted with interest the efforts for economic progress under democratic processes in the Republic of Guatemala. The President has the authority to use this fund for such purposes. Nevertheless the Committee has provided in the bill not less than \$5,000,000 be made available for Guatemala.

Special assistance, joint control areas.—This program provides for financial assistance to West Berlin and technical exchange projects in Berlin and Austria. The Committee recommends the full authorized amount and budget estimate, \$11,500,000, for this item. The amount recommended is \$700,000 below the funds appropriated for fiscal year 1957.

Intergovernmental Committee for European Migration.—This Committee was organized in 1951 to facilitate and increase the movement of migrants and refugees from overpopulated countries of Europe who would otherwise not be moved. There are presently 27 government members. It is estimated that approximately 154,950 refugees will be moved during 1958.

The full amount of the budget estimate, \$12,500,000, is recommended for this purpose. This amount is the same as was provided for fiscal year 1957.

United Nations refugee fund.—The United Nations refugee program is a voluntary United Nations program authorized by the General Assembly in 1954 for the purpose of undertaking a program of permanent solutions of the problems of unassimilated refugees coming within the mandate of the Office of the U. N. High Commission for Refugees.

The bill includes \$2,233,000, the amount of the budget estimate and the full authorization, for the United States contributions for an 18 months period comprising the last half of calendar year 1957 and all of calendar year 1958. The program is scheduled for completion on December 31, 1958.

Escapee program.—This program is designed to supplement the assistance given by the country of asylum and the voluntary relief agencies to Soviet and satellite escapees in an effort to reestablish the needy escapee into an independent, self-sufficient member of the free world.

An appropriation of \$5,500,000, the full amount of the budget estimate and the authorization, is recommended for this program. The sum allowed is \$500,000 less than the amount appropriated for fiscal year 1957.

United Nations Children's fund.—The purpose of this program is to improve the health and welfare of children with the principal emphasis on permanently improving rather than temporarily relieving adverse child health conditions. During calendar year 1956 the fund aided 311 projects in 98 countries and territories which benefited an estimated 37,000,000 children and mothers.

The Committee recommends the full authorization and the amount of the budget estimate, \$11,000,000, for this item. This is an increase of \$1,000,000 over the amount appropriated in fiscal year 1957.

United Nations Relief and Works Agency.—This organization is concerned with relief and rehabilitation of the Arab refugees from Palestine.

The 1956 appropriation bill provided \$62,000,000 for this program, \$58,366,750 by new appropriation and \$3,633,250 by reappropriation of unobligated balancees of prior year funds. For fiscal year 1957, the unobligated balance of \$45,300,000 was reappropriated. It is estimated that \$23,800,000 of that amount was unobligated as of June 30, 1957. The Committee is including language in the bill continuing that balance available through June 30, 1958.

North Atlantic Treaty Organization.—The Committee has included in the bill \$1,500,000 for completion of the NATO civilian headquarters in Paris. This amount is a reduction of \$1,200,000 in the budget estimate.

An appropriation of \$2,475,000 was approved by the Congress in the Mutual Security Appropriation Act, 1956, for the United States share of the building which was to cost an estimated \$6,200,000. The Committee was advised at that time that the \$2,475,000 plus previous credits in the amount of \$325,000 would be our total contribution to the building.

In February, 1957, it was testified that the total cost of the building had increased to approximately \$10,700,000 and that the United States share of the cost would be an additional \$1,500,000. Notwithstanding that proposal and testimony to that effect, the Committee was advised in July that the estimated cost had been again revised upward to \$13,714,000 and that the United States share of the additional cost was \$2,700,000.

Such irresponsibility in the making and presenting of cost estimates is inexcusable. The Committee in recommending the additional amount of \$1,500,000 does so with the understanding that this amount is to complete the contribution of this country toward the construction

of the building and that no additional or supplemental estimates are to be allowed.

Ocean freight.—The Committee recommends the budget estimate, \$2,200,000, for the payment of ocean freight charges on relief shipments by voluntary agencies. This is the full amount authorized for fiscal year 1958.

Control Act expenses.—The Director of the International Cooperation Administration is responsible for the administration of the Mutual Defense Assistance Control Act of 1951 (Battle Act) for controlling exports of strategic materials to the countries behind the Iron Curtain by countries which receive United States aid. The Committee recommends the sum of \$1,000,000 for this item, which is the amount of the Budget estimate and the full authorization therefor. This amount is \$175,000 below the appropriation for fiscal year 1957.

General administrative expenses.—The bill includes the budget estimate of \$32,750,000 for necessary administrative expenses for the International Cooperation Administration and the refugee and migration program. This is the same amount as contained in the authorizing legislation. The amount included is \$2,581,100 over the amount provided for fiscal year 1957 when comparative transfers are taken into consideration. Approximately \$1,100,000 of the increase is for payment into the Civil Service retirement fund. The remainder of the increase is primarily to cover full year salary costs for personnel employed on a part-year basis in 1957, new missions, and to strengthen the audit-control activity.

Atoms for Peace.—In lieu of the new appropriation of \$7,000,000 requested the committee recommends the reappropriation of the unobligated balance of \$4,450,000 for this program, which has for its purpose the promotion of the peaceful uses of atomic energy abroad. An appropriation of \$5,500,000 was made for this item for fiscal year 1957. Of that amount \$1,050,000 was obligated through June 30, 1957, leaving about 80 percent of the 1957 appropriation unobligated.

Administrative expenses, State.—The bill includes \$4,577,000 for administrative expenses of the Department of State which are incurred for the functions directly related to the Mutual Security program and the United States Regional Office, Paris. The amount allowed is approximately the same as the amount provided for fiscal year 1957. This appropriation was previously included in the item of Administrative expenses for the International Cooperation Administration. The Mutual Security Act of 1956 authorized a separate appropriation for this item.

GENERAL PROVISION

A general provision is included in the bill (Sec. 106) providing that none of the funds made available by this bill shall be used for that portion of Section 400 (c) of the Mutual Security Act of 1954, as amended, which reads as follows:

The President is authorized to use not to exceed \$10,000,000 of funds appropriated pursuant to subsection (a) of this section for assistance, on such terms and conditions as he may specify, to schools and libraries abroad, founded or sponsored by citizens of the United States, and serving as

study and demonstration centers for ideas and practices of the United States, notwithstanding any other Act authorizing assistance of this kind.

The Committee does not feel that funds for these activities should be included in this bill, since such activities are a part of the regular United States Information Agency program, which is appropriated for in another bill.

LIMITATIONS AND LEGISLATIVE PROVISIONS

The following limitation not heretofore carried in connection with any appropriation bill is recommended:

On page 7, in connection with General Provisions:

SEC. 106. None of the funds made available by this Act shall be used to carry out the purposes of the first sentence of section 400 (c) of the Mutual Security Act of 1954, as amended.

**COMPARATIVE STATEMENT OF APPROPRIATIONS FOR 1957, ESTIMATES FOR 1958, AND AMOUNTS RECOMMENDED
IN BILL FOR 1958**

Items	Appropriations, 1957	Estimates, 1958	Recommended in bill, 1958	Bill compared with—	
				Appropriations, 1957	Estimates, 1958
MUTUAL DEFENSE ASSISTANCE					
Military assistance:					
Appropriation-----	\$2,017,500,000	\$1,600,000,000	\$1,250,000,000	-\$767,500,000	-\$350,000,000
Unobligated and unreserved balance-----	195,500,000	538,800,000	538,800,000	+343,300,000	-
Total, military assistance-----	2,213,000,000	2,138,800,000	1,788,800,000	-424,200,000	-350,000,000
Defense support:					
Appropriation-----	1,161,700,000	750,000,000	585,000,000	-576,700,000	-165,000,000
Unobligated balance-----			36,000,000	+36,000,000	+36,000,000
Total, defense support-----	1,161,700,000	750,000,000	621,000,000	-540,700,000	-129,000,000
Total, mutual defense assistance-----	3,374,700,000	2,888,800,000	2,409,800,000	-964,900,000	-479,000,000
ECONOMIC AND TECHNICAL COOPERATION					
Development assistance:					
Appropriation-----	250,000,000				-250,000,000
Unobligated balance-----		52,000,000	52,000,000	+52,000,000	-
Total, development assistance-----	250,000,000	52,000,000	52,000,000	-198,000,000	-
Development loan fund-----		500,000,000	300,000,000	+300,000,000	-200,000,000

MUTUAL SECURITY APPROPRIATIONS, 1958

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Technical cooperation:

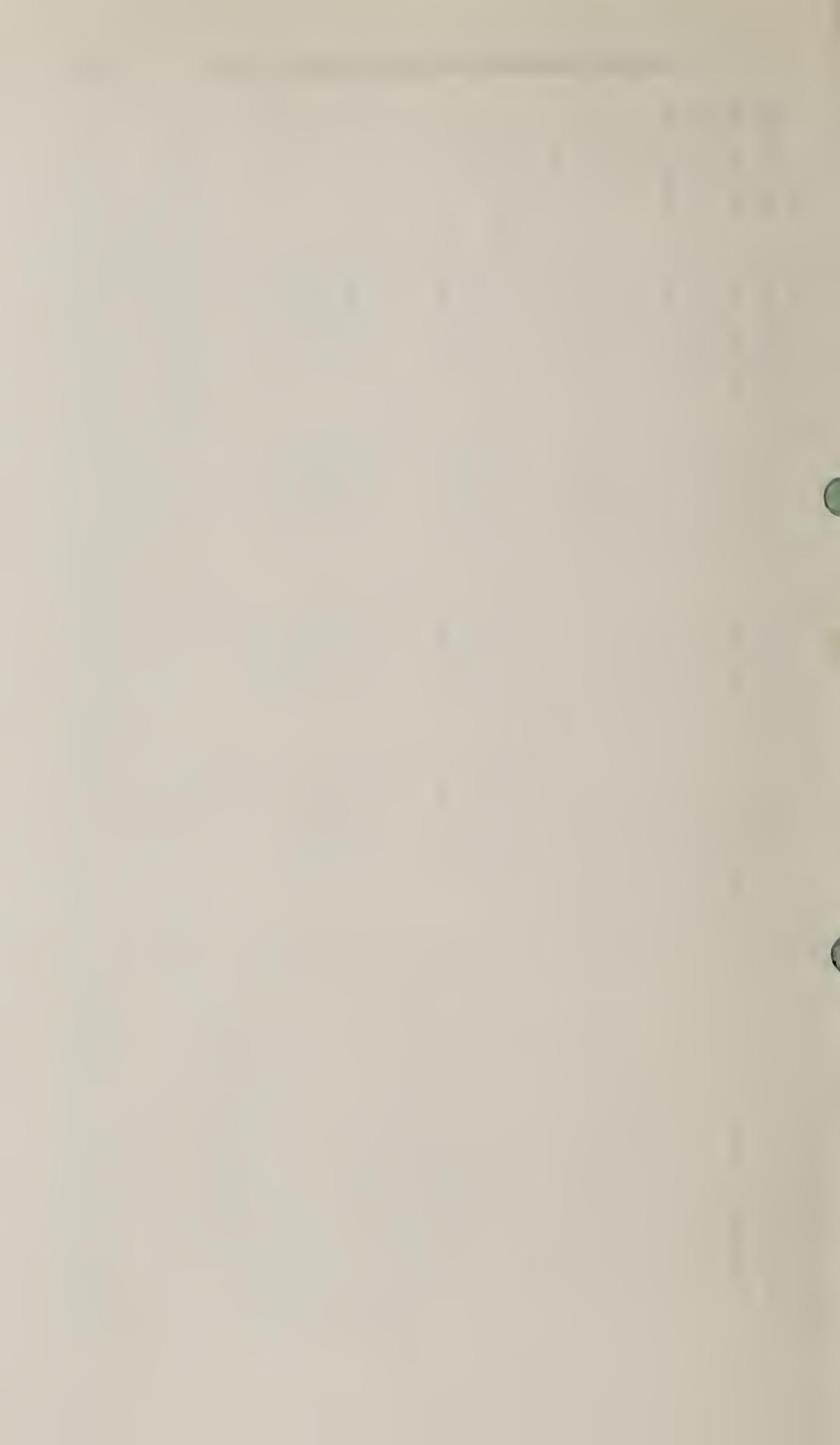
General authorization:						
Appropriation-----	135,000,000	151,900,000	113,000,000	-22,000,000	-38,900,000	
Unobligated balance-----			12,000,000	+12,000,000	+12,000,000	
Total-----	135,000,000	151,900,000	125,009,000	-10,000,000	-26,900,000	
United Nations program-----	15,500,000	15,500,000	15,500,000			
Organization of American States-----	1,500,000	1,500,000	1,500,000			
Total, technical cooperation-----	152,000,000	168,900,000	142,000,000	-10,000,000	-26,900,000	
Total, economic and technical co-operation-----	402,000,000	720,900,000	494,000,000	+92,000,000	-226,900,000	
OTHER PROGRAMS						
Special assistance, general authorization-----		250,000,000	175,000,000	+175,000,000	-75,000,000	
Special assistance, Latin America-----		25,000,000			-25,000,000	
Special Presidential fund-----	100,000,000			-100,000,000		
Special assistance, joint control areas-----	12,200,000	11,500,000	11,500,000	-700,000		
Intergovernmental Committee for European Migration-----	12,500,000	12,500,000	12,500,000			
United Nations Refugee Fund-----	1,900,000	2,233,000	2,233,000	+333,000		
Escapee program-----	6,000,000	5,500,000	5,500,000	-500,000		
United Nations Relief and Works Agency:						
Unobligated balance-----	45,300,000	23,800,000	23,800,000	-21,500,000		
United Nations children's fund-----	10,000,000	11,000,000	11,000,000	+1,000,000		

Comparative statement of appropriations for 1957, estimates for 1958, and amounts recommended in bill for 1958—Continued

Items	Appropriations, 1957	Estimates, 1958	Recommended in bill, 1958	Bill compared with—	
				Appropriations, 1957	Estimates, 1958
OTHER PROGRAMS—continued					
North Atlantic Treaty Organization (civilian headquarters)			\$2,700,000	\$1,500,000	+\$1,200,000
Ocean freight.....	\$2,500,000	2,200,000	2,200,000	-300,000	-----
Control act expenses	1,175,000	1,000,000	1,000,000	-175,000	-----
Administrative expenses:					
General (ICA and Refugee and migration program)	29,018,900	32,750,000	32,750,000	+3,731,100	-----
State Department	4,576,100	4,577,000	4,577,000	+900	-----
Atoms for peace:					
Appropriation.....	5,500,000	7,000,000	-----	-5,500,000	-7,000,000
Unobligated balance.....			4,450,000	+4,450,000	+4,450,000
Total, atoms for peace	5,500,000	7,000,000	4,450,000	-1,050,000	-2,550,000
Total, other programs.....	230,670,000	391,760,000	288,010,000	+57,340,000	-103,750,000

Total, mutual security:				
Appropriation-----	3,766,570,000	3,386,860,000	2,524,760,000	-1,241,810,000 - 862,100,000
Unobligated balance-----	240,800,000	614,600,000	667,050,000	+426,250,000 + 52,450,000
Total-----	4,007,370,000	4,001,460,000	3,191,810,000	-815,560,000 - 809,650,000

○



85TH CONGRESS
1ST SESSION

H. R. 9302

[Report No. 1172]

IN THE HOUSE OF REPRESENTATIVES

AUGUST 15, 1957

Mr. PASSMAN, from the Committee on Appropriations, reported the following bill; which was committed to the Committee of the Whole House on the State of the Union and ordered to be printed

A BILL

Making appropriations for Mutual Security for the fiscal year ending June 30, 1958, and for other purposes.

- 1 *Be it enacted by the Senate and House of Representa-*
- 2 *tives of the United States of America in Congress assembled,*
- 3 That the following sums are appropriated, out of any money
- 4 in the Treasury not otherwise appropriated, for the fiscal
- 5 year ending June 30, 1958, namely:

1 MUTUAL SECURITY

2 FUNDS APPROPRIATED TO THE PRESIDENT

3 For expenses necessary to enable the President to carry
4 out the provisions of the Mutual Security Act of 1954, as
5 amended, to remain available until June 30, 1958 unless
6 otherwise specified herein, as follows:

7 Military assistance: For assistance authorized by sec-
8 tion 103 (a) to carry out the purposes of title I, chapter 1
9 (including administrative expenses as authorized by section
10 103 (b), which shall not exceed \$23,500,000 for the fiscal
11 year 1958), \$1,250,000,000; and in addition not to exceed
12 \$538,800,000 of unobligated and unreserved balances of
13 funds heretofore made available for purposes of section
14 103 (a) and section 104 are continued available for the
15 purposes of section 103 (a);

16 Defense support: For assistance authorized by section
17 131 (b), \$585,000,000; and in addition \$36,000,000 of
18 unobligated balances of funds heretofore made available for
19 purposes of section 131 are continued available for the pur-
20 poses of that section: *Provided*, That not less than
21 \$40,000,000 thereof shall be available for Spain, exclusive
22 of technical cooperation;

23 Development assistance: Not to exceed \$52,000,000
24 of unobligated balances of funds heretofore made available
25 for purposes of development assistance are hereby continued
26 available for the purposes for which originally appropriated;

1 Development Loan Fund: For advances to the Develop-
2 ment loan fund as authorized by section 203, \$300,000,000,
3 to remain available until expended;

4 Technical cooperation, general authorization: For assist-
5 ance authorized by section 304, \$113,000,000; and in addi-
6 tion not to exceed \$12,000,000 of unobligated balances of
7 funds heretofore made available for purposes of section 304
8 are continued available for the purposes of that section;

9 United Nations expanded program of technical assist-
10 ance: For contributions authorized by section 306 (a),
11 \$15,500,000: *Provided*, That the United States contribu-
12 tion to the 1958 calendar year program shall not exceed
13 33.33 per centum of the United Nations program;

14 Technical cooperation programs of the Organization of
15 American States: For contributions authorized by section
16 306 (b), \$1,500,000;

17 Special assistance, general authorization: For assistance
18 authorized by section 400 (a), \$175,000,000: *Provided*,
19 That not less than \$5,000,000 shall be available for
20 Guatemala;

21 Special assistance in joint control areas in Europe: For
22 assistance authorized by section 403, \$11,500,000;

23 Intergovernmental Committee for European Migration:
24 For contributions authorized by section 405 (a), \$12,500,-
25 000: *Provided*, That no funds appropriated in this Act shall

1 be used to assist directly in the migration to any nation in the
2 Western Hemisphere of any person not having a security
3 clearance based on reasonable standards to insure against
4 Communist infiltration in the Western Hemisphere;

5 United Nations Refugee Fund: For contributions
6 authorized by section 405 (c), \$2,233,000;

7 Escapee program: For assistance authorized by section
8 405 (d), \$5,500,000;

9 United Nations Children's Fund: For contributions
10 authorized by section 406, \$11,000,000;

11 United Nations Relief and Works Agency: Not to ex-
12 ceed \$23,800,000 of unobligated balances of funds hereto-
13 fore made available for purposes of section 407 are continued
14 available for purposes of that section;

15 North Atlantic Treaty Organization: For contributions
16 for the construction of the North Atlantic Treaty Organiza-
17 tion civilian headquarters as authorized by section 408,
18 \$1,500,000;

19 Ocean freight charges, United States voluntary relief
20 agencies: For payments authorized by section 409 (c),
21 \$2,200,000;

22 Control Act expenses: For carrying out the purposes of
23 the Mutual Defense Assistance Control Act of 1951, as
24 authorized by section 410, \$1,000,000;

1 General administrative expenses: For expenses author-
2 ized by section 411 (b), \$32,750,000;

3 Atoms for Peace: Not to exceed \$4,450,000 of unobli-
4 gated balances of funds heretofore made available for purposes
5 of section 12 of the Mutual Security Act of 1956 are hereby
6 continued available for the purposes of section 419;

7 Funds appropriated under each paragraph of this Act
8 (other than appropriations under the head of military assist-
9 ance), including specified amounts of unobligated balances,
10 and amounts certified pursuant to section 1311 of the Sup-
11 plemental Appropriation Act, 1955, as having been obli-
12 gated against appropriations heretofore made for the same
13 general purpose as such paragraph, which amounts are
14 hereby continued available (except as may otherwise be
15 specified in this Act) for the same period as the respective
16 appropriations in this Act for the same general purpose,
17 may be consolidated in one account for each paragraph.

18 DEPARTMENT OF STATE

19 Administrative expenses: For expenses of the Depart-
20 ment of State as authorized by section 411 (c) of the Mutual
21 Security Act of 1954, as amended, \$4,577,000.

22 GENERAL PROVISIONS

23 SEC. 102. Payments made from funds appropriated
24 herein for engineering fees and services to any individual

1 engineering firm on any one project in excess of \$25,000
2 shall be reported to the Committees on Appropriations of the
3 Senate and House of Representatives at least twice annually.

4 SEC. 103. Pursuant to section 1415 of the Supplemental
5 Appropriation Act, 1953, and in addition to other amounts
6 made available pursuant to said section, not to exceed the
7 equivalent of \$300,000 of foreign currencies or credits owed
8 to or owned by the United States shall remain available
9 until expended, without reimbursement to the Treasury,
10 for liquidation of obligations incurred against such currencies
11 or credits prior to July 1, 1953, pursuant to authority con-
12 tained in the Mutual Security Act of 1951, as amended,
13 and Acts for which funds were authorized by that Act and,
14 hereafter, foreign currencies generated under the provisions
15 of this Act shall be utilized only for the purposes for which
16 the funds providing the commodities which generated the
17 currency were appropriated.

18 SEC. 104. None of the funds provided by this Act nor
19 any of the counterpart funds generated as a result of assist-
20 ance under this or any other Act shall be used to make pay-
21 ments on account of the principal or interest on any debt
22 of any foreign government or on any loan made to such
23 government by any other foreign government; nor shall
24 any of these funds be expended for any purpose for which

1 funds have been withdrawn by any recipient country to
2 make payment on such debts: *Provided*, That to the
3 extent that funds have been borrowed by any foreign
4 government in order to make a deposit of counterpart and
5 such deposit is in excess of the amount that would be re-
6 quired to be deposited pursuant to the formula prescribed
7 by section 142 (b) of the Mutual Security Act of 1954,
8 as amended, such counterpart may be used in such country
9 for any agreed purpose consistent with the provisions of
10 such Act.

11 SEC. 105. Except for the appropriations entitled "Spe-
12 cial assistance, general authorization" and "Development
13 loan fund", not more than 20 per centum of any appro-
14 priation item made available by this Act shall be obligated
15 and/or reserved during the last two months of the fiscal
16 year.

17 SEC. 106. None of the funds made available by this
18 Act shall be used to carry out the purposes of the first
19 sentence of section 400 (c) of the Mutual Security Act of
20 1954, as amended.

21 SEC. 107. The appropriations and authority with respect
22 thereto in this Act shall be available from July 1, 1957, for
23 the purposes provided in such appropriations and authority.
24 All obligations incurred during the period between June 30,

1 1957, and the date of enactment of this Act in anticipation
2 of such appropriations and authority are hereby ratified and
3 confirmed if in accordance with the terms hereof.

4 SEC. 108. The Congress hereby reiterates its opposition
5 to the seating in the United Nations of the Communist
6 China regime as the representative of China, and it is hereby
7 declared to be the continuing sense of the Congress that the
8 Communist regime in China has not demonstrated its will-
9 ingness to fulfill the obligations contained in the Charter of
10 the United Nations and should not be recognized to represent
11 China in the United Nations. In the event of the seating of
12 representatives of the Chinese Communist regime in the
13 Security Council or General Assembly of the United Nations,
14 the President is requested to inform the Congress insofar as is
15 compatible with the requirements of national security, of the
16 implications of this action upon the foreign policy of the
17 United States and our foreign relationships, including that
18 created by membership in the United Nations, together with
19 any recommendations which he may have with respect to
20 the matter.

21 SEC. 109. This Act may be cited as the "Mutual
22 Security Appropriation Act, 1958".

85TH CONGRESS
1ST SESSION

H. R. 9302

[Report No. 1172]

A BILL

Making appropriations for Mutual Security
for the fiscal year ending June 30, 1958, and
for other purposes.

By Mr. PASSMAN

AUGUST 15, 1957

Committed to the Committee of the Whole House on
the State of the Union and ordered to be printed

85TH CONGRESS
1ST SESSION

H. R. 9302

IN THE SENATE OF THE UNITED STATES

AUGUST 16, 1957

Read twice and referred to the Committee on Appropriations

AN ACT

Making appropriations for Mutual Security for the fiscal year ending June 30, 1958, and for other purposes.

1 *Be it enacted by the Senate and House of Representa-*
2 *tives of the United States of America in Congress assembled,*
3 That the following sums are appropriated, out of any money
4 in the Treasury not otherwise appropriated, for the fiscal
5 year ending June 30, 1958, namely:

I

1 MUTUAL SECURITY

2 FUNDS APPROPRIATED TO THE PRESIDENT

3 For expenses necessary to enable the President to carry
4 out the provisions of the Mutual Security Act of 1954, as
5 amended, to remain available until June 30, 1958 unless
6 otherwise specified herein, as follows:

7 Military assistance: For assistance authorized by sec-
8 tion 103 (a) to carry out the purposes of title I, chapter 1
9 (including administrative expenses as authorized by section
10 103 (b), which shall not exceed \$23,500,000 for the fiscal
11 year 1958), \$1,250,000,000; and in addition not to exceed
12 \$538,800,000 of unobligated and unreserved balances of
13 funds heretofore made available for purposes of section 103
14 (a) and section 104 are continued available for the pur-
15 poses of section 103 (a);

16 Defense support: For assistance authorized by section
17 131 (b), \$585,000,000; and in addition \$36,000,000 of
18 unobligated balances of funds heretofore made available for
19 purposes of section 131 are continued available for the pur-
20 poses of that section: *Provided*, That not less than
21 \$40,000,000 thereof shall be available for Spain, exclusive
22 of technical cooperation;

23 Development assistance: Not to exceed \$52,000,000
24 of unobligated balances of funds heretofore made available
25 for purposes of development assistance are hereby continued

1 available for the purposes for which originally appropriated;

2 Development Loan Fund: For advances to the Develop-

3 ment loan fund as authorized by section 203, \$300,000,000,

4 to remain available until expended;

5 Technical cooperation, general authorization: For assist-

6 ance authorized by section 304, \$113,000,000; and in addi-

7 tion not to exceed \$12,000,000 of unobligated balances of

8 funds heretofore made available for purposes of section 304

9 are continued available for the purposes of that section;

10 United Nations expanded program of technical assist-

11 ance: For contributions authorized by section 306 (a),

12 \$15,500,000: *Provided*, That the United States contribu-

13 tion to the 1958 calendar year program shall not exceed

14 33.33 per centum of the United Nations program;

15 Technical cooperation programs of the Organization of

16 American States: For contributions authorized by section

17 306 (b), \$1,500,000;

18 Special assistance, general authorization: For assistance

19 authorized by section 400 (a), \$175,000,000: *Provided*,

20 That not less than \$10,000,000 shall be available for

21 Guatemala;

22 Special assistance in joint control areas in Europe: For

23 assistance authorized by section 403, \$11,500,000;

24 Intergovernmental Committee for European Migration:

25 For contributions authorized by section 405 (a), \$12,500,-

1 000: *Provided*, That no funds appropriated in this Act shall
2 be used to assist directly in the migration to any nation in the
3 Western Hemisphere of any person not having a security
4 clearance based on reasonable standards to insure against
5 Communist infiltration in the Western Hemisphere;

6 United Nations Refugee Fund: For contributions
7 authorized by section 405 (c), \$2,233,000;

8 Escapee program: For assistance authorized by section
9 405 (d), \$5,500,000;

10 United Nations Children's Fund: For contributions
11 authorized by section 406, \$11,000,000;

12 United Nations Relief and Works Agency: Not to ex-
13 ceed \$23,800,000 of unobligated balances of funds hereto-
14 fore made available for purposes of section 407 are continued
15 available for purposes of that section;

16 North Atlantic Treaty Organization: For contributions
17 for the construction of the North Atlantic Treaty Organiza-
18 tion civilian headquarters as authorized by section 408,
19 \$1,500,000;

20 Ocean freight charges, United States voluntary relief
21 agencies: For payments authorized by section 409 (c),
22 \$2,200,000;

23 Control Act expenses: For carrying out the purposes of
24 the Mutual Defense Assistance Control Act of 1951, as
25 authorized by section 410, \$1,000,000;

1 General administrative expenses: For expenses author-
2 ized by section 411 (b), \$32,750,000;

3 Atoms for Peace: Not to exceed \$4,450,000 of unobli-
4 gated balances of funds heretofore made available for purposes
5 of section 12 of the Mutual Security Act of 1956 are hereby
6 continued available for the purposes of section 419;

7 Funds appropriated under each paragraph of this Act
8 (other than appropriations under the head of military assist-
9 ance), including specified amounts of unobligated balances,
10 and amounts certified pursuant to section 1311 of the Sup-
11 plemental Appropriation Act, 1955, as having been obli-
12 gated against appropriations heretofore made for the same
13 general purpose as such paragraph, which amounts are
14 hereby continued available (except as may otherwise be
15 specified in this Act) for the same period as the respective
16 appropriations in this Act for the same general purpose;
17 may be consolidated in one account for each paragraph. 71

DEPARTMENT OF STATE

19 Administrative expenses: For expenses of the Depart-
20 ment of State as authorized by section 411 (c) of the Mutual
21 Security Act of 1954, as amended, \$4,577,000.

GENERAL PROVISIONS

23 SEC. 102. No part of any appropriation contained in this
24 Act shall be used for publicity or propaganda purposes not
25 heretofore authorized by the Congress.

1 SEC. 103. Payments made from funds appropriated
2 herein for engineering fees and services to any individual
3 engineering firm on any one project in excess of \$25,000
4 shall be reported to the Committees on Appropriations of the
5 Senate and House of Representatives at least twice annually.

6 SEC. 104. Pursuant to section 1415 of the Supplemental
7 Appropriation Act, 1953, and in addition to other amounts
8 made available pursuant to said section, not to exceed the
9 equivalent of \$300,000 of foreign currencies or credits owed
10 to or owned by the United States shall remain available
11 until expended, without reimbursement to the Treasury,
12 for liquidation of obligations incurred against such currencies
13 or credits prior to July 1, 1953, pursuant to authority con-
14 tained in the Mutual Security Act of 1951, as amended,
15 and Acts for which funds were authorized by that Act and,
16 hereafter, foreign currencies generated under the provisions
17 of this Act shall be utilized only for the purposes for which
18 the funds providing the commodities which generated the
19 currency were appropriated.

20 SEC. 105. None of the funds provided by this Act nor
21 any of the counterpart funds generated as a result of assist-
22 ance under this or any other Act shall be used to make pay-
23 ments on account of the principal or interest on any debt
24 of any foreign government or on any loan made to such
25 government by any other foreign government; nor shall

1 any of these funds be expended for any purpose for which
2 funds have been withdrawn by any recipient country to
3 make payment on such debts: *Provided*, That to the
4 extent that funds have been borrowed by any foreign
5 government in order to make a deposit of counterpart and
6 such deposit is in excess of the amount that would be re-
7 quired to be deposited pursuant to the formula prescribed
8 by section 142 (b) of the Mutual Security Act of 1954,
9 as amended, such counterpart may be used in such country
10 for any agreed purpose consistent with the provisions of
11 such Act.

12 SEC. 106. Except for the appropriations entitled "Spe-
13 cial assistance, general authorization" and "Development
14 loan fund", not more than 20 per centum of any appro-
15 priation item made available by this Act shall be obligated
16 and/or reserved during the last two months of the fiscal
17 year.

18 SEC. 107. None of the funds made available by this
19 Act shall be used to carry out the purposes of the first
20 sentence of section 400 (c) of the Mutual Security Act of
21 1954, as amended.

22 SEC. 108. The appropriations and authority with respect
23 thereto in this Act shall be available from July 1, 1957, for
24 the purposes provided in such appropriations and authority.
25 All obligations incurred during the period between June 30,

1 1957, and the date of enactment of this Act in anticipation
2 of such appropriations and authority are hereby ratified and
3 confirmed if in accordance with the terms hereof.

4 SEC. 109. The Congress hereby reiterates its opposition
5 to the seating in the United Nations of the Communist
6 China regime as the representative of China, and it is hereby
7 declared to be the continuing sense of the Congress that the
8 Communist regime in China has not demonstrated its will-
9 ingness to fulfill the obligations contained in the Charter of
10 the United Nations and should not be recognized to represent
11 China in the United Nations. In the event of the seating of
12 representatives of the Chinese Communist regime in the
13 Security Council or General Assembly of the United Nations,
14 the President is requested to inform the Congress insofar as is
15 compatible with the requirements of national security, of the
16 implications of this action upon the foreign policy of the
17 United States and our foreign relationships, including that
18 created by membership in the United Nations, together with
19 any recommendations which he may have with respect to
20 the matter.

21 SEC. 110. This Act may be cited as the "Mutual
22 Security Appropriation Act, 1958".

Passed the House of Representatives August 15, 1957.

Attest:

RALPH R. ROBERTS,

Clerk.

85TH CONGRESS
1st SESSION

H. R. 9302

Making appropriations for Mutual Security for
the fiscal year ending June 30, 1958, and for
other purposes.

August 16, 1957

Read twice and referred to the Committee on
Appropriations

AN ACT



United States
of America

Congressional Record

PROCEEDINGS AND DEBATES OF THE 85th CONGRESS, FIRST SESSION

Vol. 103

WASHINGTON, THURSDAY, AUGUST 15, 1957

No. 148

House of Representatives

The House met at 12 o'clock noon.
The Chaplain, Rev. Bernard Braskamp,
D. D., offered the following prayer:

Almighty God, who art daily blessing us so abundantly, hear us as we now approach Thy throne of grace with prayers of supplication and intercession.

We thank Thee that we may command and commit unto Thy gracious providence not only our own personal and individual needs and longings but those of all the members of the human family.

Humbly and penitently we confess that we are doing so little to make the struggle of life less difficult for others. We are eager to get and possess the good things of life but reluctant to give and to share them. We have been severe in our criticizing of our fellow men but so lenient and indulgent with ourselves.

Forgive us for being indifferent to the pitiful appeals of the poor and lowly, the weary and heavy laden, the worried and anxious, and the less privileged who are the victims of adversity and trying circumstances.

Grant that we may abound in the spirit of charity and benevolence, of sympathy and service, of kindness and good will, and may we always be willing to bear our due share of the world's burdens.

Hear us in the name of our blessed Lord. Amen.

THE JOURNAL

The Journal of the proceedings of yesterday was read and approved.

MUTUAL SECURITY APPROPRIATION BILL, 1958

Mr. PASSMAN, from the Committee on Appropriations, reported the bill (H. R. 9302) making appropriations for mutual security for the fiscal year ending June 30, 1958, and for other purposes, which was read a first and second time and, with the accompanying papers, referred to the Committee of the Whole House on the State of the Union and ordered to be printed.

Mr. TABER reserved all points of order.

VETERANS' ADMINISTRATION HOSPITALS

(Mr. CHRISTOPHER asked and was given permission to extend his remarks at this point in the RECORD.)

Mr. CHRISTOPHER. Mr. Speaker, it is reliably reported here in the Nation's Capital that there are 8,000 deactivated beds in the Veterans' Administration hospitals over the United States. Many of these beds cannot be activated because of lack of funds. It is also estimated that on any given day there are 50,000 ill and ailing veterans in need of immediate hospitalization who are unable to secure admission to VA hospitals.

These are the men who honorably wore the uniform of our armed services, who offered their lives and bodies to protect the freedom and integrity of this Nation. We are informed that to hospitalize all these veterans would not be in accord with the program of the President; yet, according to the August 14 issue of the Christian Science Monitor, House Republican Leader JOSEPH W. MARTIN has warned the Congress of a possibility of a special session this fall if the foreign-aid program is curtailed.

The House and Senate has authorized \$3,367,000,000 for the foreign-aid program for 1958, and amounts variously estimated at from \$55 billion to \$60 billion of the taxpayers' money have already been spent on this program.

It would seem to me that the President should be a little more concerned with the welfare of the sick and ailing veterans than with a program designed to continue to dissipate our resources all over the world.

AMENDMENT OF NATURAL GAS ACT

(Mr. TOLLEFSON asked and was given permission to extend his remarks at this point in the RECORD.)

Mr. TOLLEFSON. Mr. Speaker, natural gas is being piped into the State of Washington, and its people are beginning to be concerned about legislation pending before Congress which would exempt producers of natural gas from effective price regulation.

The daily press has carried news items quoting the Speaker of the House as stating that H. R. 8528, a bill to amend the Natural Gas Act, will not be considered by the House during this session of Congress. I trust that this proves to be a fact. Furthermore, Mr. Speaker, I trust that, should the bill be considered by the House during either this session or the next, the Members will reject it.

The passage of the bill which seeks to exempt producers of natural gas from effective price regulation under the Natural Gas Act could cost consumers as much as \$1 billion annually. The natural gas business is a monopoly. The public interest requires regulation of it just as is required for telephone, electric, and water services. All are treated as public utilities, and natural gas should be included. As a matter of fact, it has been so treated and regulated under the Natural Gas Act for a number of years.

If the pending measure is approved, the 29 million families using natural gas would have to pay higher prices because the bill would destroy effective regulation of them. It is self-evident, it seems to me, that the passage of the bill would result in higher prices. Otherwise, why are the producers supporting the measure?

The proponents of the bill take the position that present regulation under the Natural Gas Act will destroy incentive to bring more wells into production. Past experience indicates otherwise. Producers have been under the regulations of the Natural Gas Act for years without injury to the industry. The industry is booming and profits are at an alltime high. Discoveries of new supplies are at an alltime high, as are present reserve supplies.

The industry has a 27½-percent depletion allowance as an incentive. Furthermore, the Federal Power Commission has ample authority to grant such increases as might be warranted in the future and to encourage new exploration and development.

CONVEYANCE TO NEW YORK OF CERTAIN RIGHTS AT FORT SCHUYLER

The SPEAKER. The Chair recognizes the gentleman from Georgia [Mr. VINSON].

Mr. VINSON. Mr. Speaker, I ask unanimous consent for the immediate consideration of the bill (H. R. 4609) to further amend the act entitled "An act to authorize the conveyance of a portion of the United States military reservation at Fort Schuyler, N. Y., to the State of New York for use as a maritime school, and for other purposes," approved September 5, 1950, as amended.

The Clerk read the title of the bill.

Mr. ARENDS. Reserving the right to object, Mr. Speaker, and I shall not, because this matter came out of our committee, I think the gentleman from Georgia should make a brief statement in explanation of the bill.

Mr. VINSON. Mr. Speaker, the United States conveyed 26 acres to the State of New York in 1950 for use as a maritime school and historical monument. The city of New York proposes to build a bridge between Queens and the Bronx with one portion of the supports to be erected within this 26 acres. Since this is a use other than for a maritime and historic monument, legislation is necessary to insure that title to the property would not revert to the United States by reason of this use. The bill does not convey any property but merely excludes about 5½ acres from the reversionary rights which the United States has. This bill does not involve the expenditure of any funds.

The other 26 acres of Fort Schuyler were transferred in 1956 from the Army to the Navy. The Navy had been using the property since 1942, first for indoctrination school and later for reserve training.

Mr. ARENDS. Mr. Speaker, I withdraw my reservation of objection.

The SPEAKER. Is there objection to the request of the gentleman from Georgia?

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the first section of the act entitled "An act to authorize the conveyance of a portion of the United States military reservation at Fort Schuyler, N. Y., to the State of New York for use as a maritime school, and for other purposes," approved September 5, 1950 (Public Law 755, 81st Cong.), as amended July 16, 1952 (Public Law 559, 82d Cong.), is hereby amended to read as follows: "That the Secretary of the Army is authorized to convey to the people of the State of New York all that portion of the United States military reservation at Fort Schuyler, in the borough and county of Bronx in the city of New York, State of New York, together with all improvements thereon, bounded and described as follows, to wit: Commencing at a point (latitude 40 degrees 48 minutes 23 seconds north; longitude 73 degrees 47 minutes 52 seconds west) fixed on the south sea wall which is approximately 25.5 feet westerly from an angle in said sea wall and running thence in a northeasterly direction 592.5 feet, more or less, to a point on the north sea wall which is approximately 196.5 feet westerly from an angle in the north sea wall (said line running along the easterly edge of a concrete curb for an 18-foot concrete road running in a northeast-

erly and southwesterly direction); thence continuing in the same course to the point where said line intersects the northerly exterior line of a grant of lands under water made by the State of New York to the United States of America by letters patent dated May 26, 1880, and recorded in the office of the secretary of state of the State of New York in book 44 of patents at page 604; thence running easterly, southerly, and westerly along the exterior northerly, easterly, and southerly line of said grant to a point in the exterior southerly line thereof which is in range with the course first above described; thence running in a northeasterly direction to the point and place of beginning, intending to include within said bounds a portion of the uplands which were conveyed by William Bayard, Jr., and Charles Henry Hammond to the United States of America by deed dated July 26, 1826, and recorded in the office of the clerk of the county of Westchester, N. Y., on November 30, 1826, in liber 28 of deeds at page 225, and by Charles H. Hammond and Thomas Boiton, one of the masters in chancery of the State of New York, to the United States of America by deed dated August 25, 1828, and recorded in the office of the clerk of the county of Westchester, N. Y., on December 11, 1828, in liber 33 of deeds at page 296, together with a portion of contiguous lands under water which were granted by the State of New York to the United States of America by letters patent dated May 26, 1880, and recorded in the office of the secretary of state of the State of New York in book 44 of patents at page 604; together with docks, piers, and other appurtenances; together with such easements for highway or other purposes, over that portion of such reservation which is not herein authorized to be conveyed to the people of the State of New York, as may be necessary for the proper use and enjoyment of the portion so conveyed as may be determined by agreement between the Secretary of the Navy and the appropriate officials of the State of New York."

Sec. 2. Section 2 of the act is amended to read as follows:

"Sec. 2. Such conveyance shall contain the express provision that if the State of New York shall fail to maintain so much of the military structures and appurtenances presently erected, which formerly constituted the old fort, as a historical monument reasonably available to the public, and if the State of New York shall at any time cease to use the property so conveyed as a maritime school, devoted exclusively to purposes of nautical education, title thereto shall revert to the United States: *Provided, however,* That the construction, operation, maintenance, and reconstruction of a bridge by the State of New York or pursuant to the laws of said State between the Borough of the Bronx and the Borough of Queens in the city of New York, located on, over, or across said military structures and appurtenances or on, over, or across all or any part of the lands described in section 1 of this act shall not constitute a breach of condition or any ground for reversion to the United States of the title to said lands. Such conveyance shall also provide that in the event that title to said lands shall revert to the United States, the State of New York or any public corporation, authorized pursuant to the laws of said State to construct, operate, maintain, or reconstruct such bridge, shall have and is granted an easement in perpetuity to construct, operate, maintain, and reconstruct such bridge on, over, and across said military structures and appurtenances and on, over, or across said lands."

Sec. 3. Section 3 of the act is amended to read as follows:

"Sec. 3. Such conveyance shall contain the further provision that during any emergency declared by the President or the Congress of the United States in existence at the time of enactment of this act, or whenever the

President or the Congress of the United States declares a state of war or other national emergency, and upon the determination by the Secretary of the Army, the Secretary of the Navy, or the Secretary of the Air Force that the property so conveyed is useful for military, air, or naval purposes or in the interest of national defense, the United States shall have the right, without charge, except as indicated below, to the full unrestricted possession, control, and use of the property conveyed, or any part thereof, including any additions or improvements thereto made by the State subsequent to this conveyance: *Provided, however,* That the United States shall be responsible during the period of such use for the entire cost of maintaining all of the property so used, and shall pay a fair rental for the use of any structures or other improvements which have been added thereto without Federal aid: *And provided further,* That such right to possession, control, or use shall not apply to that portion of the property described in section 1 of this act on, over, or across which the bridge referred to in section 2 of this act shall be located or to such bridge or to any structures or improvements used or useful in connection therewith and with respect thereto the United States shall have only such right as it may have with respect to other property not owned by the United States."

SEC. 4. The act is amended by adding thereto a new section, numbered 6, reading as follows:

"Sec. 6. The Secretary of the Army is hereby authorized and directed to incorporate the foregoing provisions of this act in any conveyance made by him or, if a conveyance has been made by him prior to the amendment of this act, he shall make, execute, and deliver an appropriate written instrument amending such conveyance to conform to the provisions of this act."

With the following committee amendments:

On page 4, strike the proviso beginning on line 13 and ending on page 5, line 5, and insert in lieu thereof the following: "*Provided, however,* That it shall not constitute a breach of condition nor any ground for reversion to the United States of the title to said lands if a bridge and viaduct approach with its supports shall be constructed, operated, maintained, and reconstructed by the State of New York or pursuant to the laws of said State between the Borough of the Bronx and the Borough of Queens in the city of New York, over or across that part of the lands described in section 1 of this act bounded and described as follows, to wit: Beginning at a point distant 975 feet, more or less, easterly from the point of commencement of the portion of the United States military reservation at Fort Schuyler conveyed by the Secretary of the Army to the people of the State of New York described in section 1 of this act, measured along a line at right angles to the first course of the above conveyance (which line is hereinafter called 'line A') and (1) running thence in a northerly direction on a line making an angle of 61 degrees more or less with said 'line A' a distance of 965 feet, more or less, to its intersection with the northerly exterior line of the above-mentioned conveyance; (2) thence running easterly along the said northerly exterior line of said conveyance a distance of 205 feet, more or less; (3) thence running southerly along a line 200 feet distant from and parallel to course (1) hereof, a distance of 1,285 feet, more or less, to its intersection with the southerly exterior line of the above-mentioned conveyance; (4) thence running westerly along the said southerly exterior line of the above-mentioned conveyance a distance of 105 feet, more or less, to an angle point in the southerly exterior line of the above-mentioned

conveyance; (5) thence continuing westerly along the said southerly exterior line of the above-mentioned conveyance a distance of 120 feet, more or less; (6) thence running northerly along a line 200 feet distant from and parallel to course (3) hereof and in southerly prolongation of course (1) hereof a distance of 240 feet, more or less, to the point and place of beginning; intending to include within said bounds an area 200 feet wide extending from the northerly to the southerly exterior lines of the portion of the United States military reservation at Fort Schuyler conveyed by the Secretary of the Army to the people of the State of New York, but excluding therefrom any military buildings and structures and the land upon which the same are presently erected which formerly constituted the old fort. Such conveyance shall also provide that in the event that title to said lands shall revert to the United States, the State of New York or any public corporation authorized pursuant to the laws of said State to construct, operate, maintain, or reconstruct such bridge, shall have and is granted an easement in perpetuity to construct, operate, maintain, and reconstruct such bridge on, over, and across said military structures and appurtenances and on, over, or across said lands."

On page 6, strike the proviso beginning on line 1 and ending on line 9 and insert in lieu thereof the following: "And provided further, That such right to possession, control, or use shall not apply to the property described in section 2 of this act or to such bridge or to any structures or improvements used or useful in connection therewith, and with respect thereto the United States shall have only such right as it may have with respect to other property not owned by the United States."

The committee amendments were agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time and passed, and a motion to reconsider was laid on the table.

VITAL LEGISLATION NECESSARY

(Mr. BECKER asked and was given permission to extend his remarks at this point in the RECORD.)

Mr. BECKER. Mr. Speaker, I rise at this time to ask a very fair question, and one that I believe is of the utmost importance to the American people and that is, Why have we not legislation on the floor of this House to correct the adverse effect of the Supreme Court decision on disclosure of FBI files to criminal trial defendants?

Why is there not legislation presented to this House to offset the decisions of the Supreme Court in reference to the release of the convicted Communists in California to prevent this happening again?

I want to inject here a part of the testimony of a New York policewoman, testifying before the Senate Internal Security Subcommittee to the effect that—

The Communist Party has been given a revitalizing shot in the arm by the Supreme Court's decision overturning the convictions of California Communist Party leaders and by other court rulings.

There has been much legislation coming before the House in recent days. Nothing, however, touches the magnitude of the feelings of the American people more than the necessary legislation I have cited above. There is no doubt that

we are in the closing days of this session and I, for one, do not like the thought of an adjournment before legislation is enacted making certain that convicted Communists will be jailed and to prevent the disclosure of the files of that greatest of all organizations, the Federal Bureau of Investigation.

If there has been security in our country and this security is to continue, the Federal Bureau of Investigation is the only responsible organization capable of continuing internal security for the American people. I call upon the chairmen and members of the respective committees to present legislation at once, and I feel certain all of the people of the United States would rejoice at such action. Certainly, there would be no question as to passage in both Houses and no further time should be lost.

CALL OF THE HOUSE

Mr. WILSON of Indiana. Mr. Speaker, I make the point of order that a quorum is not present.

The SPEAKER. Evidently a quorum is not present.

Mr. ALBERT. Mr. Speaker, I move a call of the House.

A call of the House was ordered.

The Clerk called the roll, and the following Members failed to answer to their names:

[Roll No. 196]		
Alger	Hess	May
Anfuso	Hiestand	Merrow
Baker	Hillings	Miller, N. Y.
Barden	Holfried	Morgan
Baumhart	Holtzman	Morrison
Beamer	Kelley, Pa.	Powell
Bentley	Kelly, N. Y.	Preston
Brownson	Kilburn	Prouty
Buckley	Krueger	Robison, Ky.
Bush	Lennon	Scherer
Curtis, Mo.	Long	Steminski
Dawson, Ill.	McConnell	Siler
Engle	McCormack	Smith, Va.
George	McGregor	Taylor
Gordon	Madden	Whitener
Gray	Maillard	Williams, N. Y.
Hays, Ohio	Mason	

The SPEAKER. On this rollcall 378 Members have answered to their names, a quorum.

By unanimous consent, further proceedings under the call were dispensed with.

MUTUAL SECURITY APPROPRIATIONS, 1958

Mr. PASSMAN. Mr. Speaker, I move that the House resolve itself into the Committee of the Whole House on the State of the Union for the consideration of the bill (H. R. 9302) making appropriations for mutual security for the fiscal year ending June 30, 1958, and for other purposes; and pending that motion, Mr. Speaker, I ask unanimous consent that general debate on the bill be limited to 3 hours, one-half of the time to be controlled by the gentleman from New York [Mr. TABER] and one-half by myself.

The SPEAKER. Is there objection to the request of the gentleman from Louisiana?

Mr. WIGGLESWORTH. Mr. Speaker, reserving the right to object, may I ask the gentleman from Louisiana whether that is in agreement with the ranking

minority Member, the gentleman from New York [Mr. TABER]?

Mr. PASSMAN. That agreement was approved by the gentleman from New York [Mr. TABER].

Mr. WIGGLESWORTH. Mr. Speaker, I withdraw my reservation of objection.

The SPEAKER. Is there objection to the request of the gentleman from Louisiana [Mr. PASSMAN]?

There was no objection.

The SPEAKER. The question is on the motion.

The motion was agreed to.

Accordingly, the House resolved itself into the Committee of the Whole House on the State of the Union for the consideration of the bill, H. R. 9302, with Mr. MILLS in the chair.

The Clerk read the title of the bill.

By unanimous consent, the first reading of the bill was dispensed with.

Mr. PASSMAN. Mr. Chairman, I yield myself such time as I may require.

Fortunately the rules of the House will not permit magicians to come on the floor while we are considering legislation. It may be that before the debate is over some of you will think that the magicians have been in and have left some tricks, because there may be an attempt made to pull certain tricks out of the hat and use certain figures that are positively not in keeping with the record.

May I assure you at the outset that every figure and statement that I use today in defense of what the committee has reported out will be based upon justifications and certified statements submitted to us by many witnesses who appeared before our committee.

I would also like to state—and certainly I would not want to offend anyone, but so that you may have some understanding of the difficult job with which this committee is confronted, this is the most difficult bill to write and report and defend that any Member ever had anything to do with. Never has so much pressure been exerted to indicate a picture different from that which actually exists. Yesterday afternoon, before this subcommittee even marked up the bill to make these recommendations for your consideration, the newspapers hit the streets and said, "The President warns of extra session. Will recall Congress if aid is cut."

That is the caption. That indicates what we are confronted with today.

Mr. Chairman, before getting into a discussion of the mutual security appropriation bill for fiscal 1958, I would like to pay tribute to my able and distinguished colleagues who serve on the Foreign Operations Subcommittee on Appropriations. The members are the gentleman from Missouri [Mr. CANNON], the gentleman from Virginia [Mr. GARY], the gentleman from New York [Mr. ROONEY], the gentleman from Georgia [Mr. LANHAM], the gentleman from Kentucky [Mr. NATCHER], the gentleman from Indiana [Mr. DENTON], the gentleman from North Carolina [Mr. ALEXANDER], the gentleman from New York [Mr. TABER], the gentleman from Massachusetts [Mr. WIGGLESWORTH], the gentleman from Michigan [Mr. FORD], and the gentleman from Maryland [Mr. MILLER].

Particularly do I wish to pay special tribute to the able and distinguished gentleman from Virginia [Mr. GARY], whose understanding of the complex foreign-aid program is second to none. Not only is he able, but the gentleman from Virginia is completely sincere and uncompromising with right regardless of the pressure or flattery emanating from newspapers or other sources. He is neither easily frightened by threats nor persuaded by flattery. I especially refer to the gentleman from Virginia [Mr. GARY] here because he has been my chairman on another subcommittee for 9 years, and he is my predecessor as chairman on this subcommittee.

Mr. CANFIELD. Mr. Chairman, will the gentleman yield?

Mr. PASSMAN. I yield to the gentleman from New Jersey.

Mr. CANFIELD. I concur in the gentleman's tribute to the chairman of the subcommittee handling the Treasury-Post Office appropriation. Mr. GARY is all that the gentleman says he is.

Mr. PASSMAN. I thank the distinguished gentleman from New Jersey.

So when the gentleman speaks later today, if you are inclined to discount anything that I say, you certainly should not discount anything that the distinguished gentleman from Virginia [MR. GARY] might have to say.

I should like also to pay special tribute to other members of the subcommittee who supported me, as chairman, wholeheartedly and steadfastly in every point in which they regarded my position as justified by the facts. That is why the bill now before you is one which, in my opinion, is the best bill which could be reported by the subcommittee under the circumstances, and a bill of such nature as is desired by the majority of the Members of Congress.

As chairman of the Foreign Operations Subcommittee on Appropriations, I speak concerning this program of foreign aid upon the basis of facts and figures painfully extracted through toil and sweat from the many witnesses, some of whom were almost belligerent, who appeared before our subcommittee during a period which extended from April 2 through July 12.

Therefore, I shall submit my case to the membership, relying with confidence upon sound conclusions and wise decisions on the basis of facts established and brought to light during the hearings on the bill before you. It would not be amiss for me to note here, however, that there has probably never been devised in our Nation a more actively functioning propaganda machine than the one which is operated by the advocates of a free-spending foreign-aid program. There are powerful pressure groups pushing this program, seeking spending far in excess of the needs justifiable by the facts of record.

Large numbers of our highest paid bureaucrats and their subordinates are working without letup to convince Members of Congress and the American people that the foreign-aid program is indispensable, and that ever more funds are required to support it. Representatives of numerous foreign nations are exerting extreme efforts to influence larger

contributions for their particular countries. And, disappointing as it certainly is, many of our own Nation's big business firms, with profitable contracts through the program, are strong advocates of everlasting, bigger spending foreign aid.

There are 87 nations in the world, and so great has been the propaganda and the pressure for a more widespread, complex, and confusing program of foreign aid on the part of the United States, that there are now in the program, past and present, funds for 67 members of the world of nations. Furthermore, before the ink is hardly dry on the bill that you shall pass for this program, 3 additional nations will be added to the total, increasing the number of recipients to 70 nations. With the United States as the donor, only 16 nations in all the world will not be receiving some type of aid under the program.

My colleagues, I ask you to study carefully the chart which is shown here, to ascertain for yourselves that we are appropriating money to Communist nations, to dictatorships, and to other nations we cannot actually rely upon as friends. On this chart is listed one nation or more to whom we offered aid and received, in effect, this reply: "Yes, we are ready to be bought or bribed, but your offer is too low. Raise it to this figure, and we shall do business with you."

The time has come when we must deal with this program realistically. Whether we are going to cast aside principle, and meet the bid, only time will tell.

I have learned through 11 years of experience in this body that in many instances Members of Congress are asked to support a program and appropriate money on faith; and when faith fails, then the element of fear is brought into play. That is why I am so very anxious now for your careful consideration of what the committee has reported and recommended on the basis of well substantiated facts and figures. And I will ask you to give no consideration to anything that I might say unless I can substantiate my claim with facts and certified figures.

The Congress, the executive branch, and the American people were somewhat skeptical of the foreign-aid program from its inception. Therefore, the program was started in 1948 with considerable caution. The Congress determined that the authorization for the program should be granted 1 year at a time. None thought that the program would exceed a period of 4 or 5 years, at the most, or that the total costs would go to as much as, perhaps, \$15 billion or \$16 billion. But, instead, the program has been in effect 9 years, and our appropriations for the single foreign-aid program as carried in the bill handled by the Foreign Operations Subcommittee on Appropriations have already exceeded \$45 billion.

If you consider the other expenditures of the Defense Department and put them together, the total exceeds \$50 billion.

Mr. Chairman, after the first 2 years of this program it began to get more difficult to sell the American people in the Congress on the idea it was accom-

plishing its objectives; therefore, the political medicine men in the executive branch decided they could overcome a reluctant Congress by doing two things. First, present the program to the Congress for consideration late in the session, so there would be insufficient time for careful and clear consideration of the request.

If I am accused later of using pressure methods on getting this bill out, let me remind you it is now August 15, we are getting ready to adjourn this Congress, yet we only received the authorizing legislation yesterday afternoon after 4 o'clock. So, who can accuse me of rushing this bill through when you did not give us adequate time to study the bill and bring it to the floor? The pressure is from downtown in withholding facts and in withholding this bill so as to stampede the Congress in the closing days of the session to appropriate money they do not need and that they did not justify.

They just changed the name every time it appeared the taxpayers had grown weary of financing some of these dream schemes.

May I at this point respectfully submit to the Members of the House that it is wise that this appropriation should be left with the Foreign Operations Subcommittee on Appropriations, the members of which have worked tirelessly and ceaselessly and diligently to put some sense into the foreign-aid program.

By consolidating fiscal years 1956 and 1957, for one illustration, we can point to a saving below the budget request in the amount of \$1,868,000,000. And the program was not hurt thereby, but was helped.

I am speaking of the fiscal years 1956 and 1957 when we were whipped around, knocked around, talked about, and accused of ruining the program; but notwithstanding that fact we succeeded in reducing the President's budget by \$1,868,000,000. And, lo and behold, this year they had to admit that we gave them too much money last year and they returned \$538,000,000 in military funds. Those are the facts.

You will recall, of course, that it was decided from downtown that the great Fairless committee, composed of some of the best businessmen in America, because their recommendations did not in some particulars meet with the approval of the executive branch, should not appear before the House Foreign Affairs Committee. If I am wrong in that statement, I wish to be corrected.

I think it would be more in order now for me to proceed to the actual facts and figures of the program, because you shall base your vote today not upon the basis of what I am saying here but entirely upon the basis of the information submitted by those people who appeared before our committee in an attempt to justify these large requests. May I say to you that in the past, and I am sure this year, they have been guilty of overstating their needs and without exception in each year their expenditures have amounted to far less than they said they would require in the beginning of the session of Congress.

May I say to you, Mr. Chairman, that in this bill the committee is recommending an appropriation of new funds in the amount of \$2,524,760,000, which is a reduction of \$862,100,000 below the authorizing legislation in new funds. What we decided to do in marking up the bill was to reappropriate \$1,450,000,000 that would ordinarily lapse, so the bill was reduced by only \$80,650,000. I wish you would follow me very carefully so that you may know for a fact just exactly what is in this bill. I assure you if I err one time in reporting these figures I do not ask you to support my position.

Now, I wish that you would follow me carefully for the next 3 or 4 minutes. I shall either make my case or the committee's case in the next 3 or 4 minutes, or it will not be made.

We are recommending for military this year new appropriations in the amount of \$1,250,000,000. We are reappropriating \$538,800,000, making new funds available for obligation in military alone of \$1,788,800,000.

Now, compare these figures to previous years. In 1956 for military we provided in new funds \$1,056,100,000. In fiscal 1957 we provided \$2,213 million. Some of the most distinguished Members of this great body questioned, unintentionally, of course, the position of the gentleman from Louisiana. They said, "You ruined the program." They said, "Let us get through with this and rush it over to the other body where they can correct our errors." In politics you develop a thick hide. I did not resent that statement. I knew that history would prove my figures to be correct and accurate. What actually happened? They came back this year and said, "Yes, Mr. Chairman, we admit we overstated our needs. You gave us more money than we needed." Even Mr. Hollister, a very able man, said so. The record speaks for itself.

So, what happened? Out of the \$2,113 million we gave them last year, when we had ruined the program according to certain individuals, what happened? They confessed humbly and said, "Forgive us. You gave us \$538,-800,000 more than we could spend."

Let us go into the category of obligations, because they must be considered now. I have mentioned appropriations. Obligations for fiscal 1956 for military were \$848,920,000. Now, what happened in fiscal 1957, the year we were accused of ruining the military program? They were able to obligate only \$1,674,-200,000. Those figures are accurate, my friends.

Now, let us go to another category, and you must consider them all; otherwise your judgment would not be well founded.

Expenditures: 1956, \$2,572 million for military. Fiscal 1957, \$2,319 million for military. In 1958 they said, "Well, the program now is going down. We admit that we will spend less money. We will need only \$2.2 billion for military."

Now, what are the figures? We represent 170 million American taxpayers who are going to finance this program. If you adopt the bill before you at this time, you will have in military for new obliga-

tions and expenditures \$5,512 million. While this is being repetitious, it is worth it. They say that they can spend only \$2.2 billion, but with the new funds they are going to have money available in the amount of \$5,512 million. Taking into account their own figures and the fact that in the past they have overstated what they would spend, even so they will have sufficient funds to carry the program on for 2½ years.

Now, how can any person, regardless of his position, take a valid stand that we have crippled the program?

May I respectfully direct this to your attention: The mutual security program does not have contacts with outside manufacturers. They procure from the Defense Department, and rightfully so, of course. And, on what basis? I cannot afford to mention for the record for fear of misunderstanding, and you members of the Committee on Foreign Affairs should appreciate my fairness, but let me state it this way: What is the lead time? The time you can get it off the production line and put it on the boat. As to 77 percent of this military, your lead time is about 90 days. These people have been so accustomed to coming down here and bluffing and frightening the Congress into giving them money they do not need that it just burns them up to see some sense put into this program.

Let us go over to another program. That is defense support. Do not be misled by that term, "defense support." It is economic aid, just as any of the other aid programs. We give those countries the military money, we give them the air bases, and then we give them defense support, with which money they can build roads, buy materials, purchase anything they may need. It is a direct aid to their economy. In that particular item they started with \$900 million. The other body put the figure at \$800 million. The House put it down to \$500 million; but after some discussion, the House went to \$600 million and the bill went to conference. I do not like to use the word "capitulate"; it has an unpleasant connotation. So let us say that our friends from the Committee on Foreign Affairs decided to recede on \$150 million, so they gave them \$750 million for this newly singled out item of defense support that is not now attached to any of the other aid programs.

Your committee, in its wisdom, recommends \$585 million, a reduction of \$165 million. However, we are reappropriating \$36 million, which gives them more money for defense support than was available in the original House bill.

Let us move along now to the development loan fund. They asked for \$500 million and that figure prevailed all the way down the line. I will have to admit that I gave a little encouragement to the members of the Committee on Foreign Affairs, to the effect that if they would not compromise on the \$500 million, we would recommend appropriation of a sizable sum. Now, \$300 million is certainly a sizable sum for this purpose. So we have reduced that item by \$200 million.

Let me give you our reasons for making that reduction. About 2 years ago they

came down and said they wanted \$200 million for the President's Asian fund. Oh, what a powerful story they presented in their effort to get that \$200 million; but the committee decided that we had better cut the sum to \$100 million and then apologize at some subsequent date if we had made a mistake and cut it too much. But what actually happened? The \$100 million was unattached for 2 years. They could carry it over for 3 years. Do you know how much they have spent out of that fund to date? They have spent \$6,623,000. They have left available in that Asian fund more than \$93 million. They have not been able to do anything with the money. Those are the facts. Do not be frightened about any statement that you may read about our hurting this program, or by the awful crying to the same effect you are going to hear before the day is over.

Let us turn to special assistance. They asked for \$250 million and that figure prevailed all the way through the two bodies and in the conference. We reduced it to \$175 million, some of us believing that we had given them too much money. But we decided to reduce the request by only \$75 million.

Let us get into the technical assistance program and see if we can justify the committee's action there. I think we have a very good point. Last year they came before our committee and said that they would like to have \$135 million and also permission to carry over \$1,620,000 that was not really limited to 1 year. We gave them \$136,620,000. They went out and obligated and deobligated and reobligated and deobligated and reobligated—I have said that five times, because that was the number of times that they obligated and deobligated the item in this program. But they obligated only \$124,567,000; \$12,053,000 lapsed because they could not obligate it. I was about to recommend a higher figure and the committee decided to go along with me when the fact was revealed that they have \$165,163,000 in the pipeline. That much is unexpended. You know and I know, I am sure, that if we did not appropriate any money at all for this item, they would not be very badly hurt. But aware of the feeling concerning this item, we allowed \$113 million of new money and \$12 million of carryover, for a total of \$125 million. And I hope we will not have to apologize next year for recommending too much. But I feel sure we will have to make some mention of this as being the fact.

Now here is a puzzler. We looked over the authorization request and we could not find this item; that is, \$25 million for Latin America. Personally, I greatly admire our friends down there, but I asked, where is the justification? We have no justification. Where is the authorization? We have no authorization.

Well, what is it? In questioning witnesses about the Senator's amendment—I shall not call his name—for the \$25 million for Latin America, this is what they say, quoting from page 668 of the hearings. Mr. Snow, one of the Assistant Secretaries of State, was testifying. He said:

This year, again, Senator * * * and those who agree with him in the Senate wished to make a special reservation of funds for Latin American development. It is \$25 million this year, I understand, and it has been put into the special assistance fund by the Senate.

Our position in the State Department has been that we did not consider this necessary.

Mr. PASSMAN. What is that, sir?

Mr. SNOW. We did not consider this a necessary provision to make because the type of loan contemplated by Senator * * * is also contemplated under the new development loan fund, if that is approved.

Mr. PASSMAN. You do not think it is necessary for this committee to include the \$25 million? You believe the program could be carried on satisfactorily without this particular increase?

Mr. SNOW. Yes; I believe so.

If that is the proper way to do things, just because some individual says, "Put me in for \$25 million," and another says, "Mark me down for \$10 million," then I do not believe I will ever understand it.

Mr. FORD. Mr. Chairman, will the gentleman yield?

Mr. PASSMAN. I yield to the gentleman from Michigan.

Mr. FORD. Is it not true that the executive branch of the Government did not request that \$25 million? The point I am sure the gentleman is trying to make is that the legislative branch in the other body is at fault in this.

Mr. PASSMAN. I thought I had made it abundantly clear that there was no request for an authorization, and I am quoting one of the secretaries that they did not request it.

Mr. FORD. Our subcommittee was unanimous in rejecting the \$25 million?

Mr. PASSMAN. That is correct. I want to pay particular praise to the full committee for being unanimous in rejecting that item.

Mr. FASCELL. Mr. Chairman, will the gentleman yield?

Mr. PASSMAN. I yield to the gentleman from Florida.

Mr. FASCELL. This authorization was certainly approved on the House side, was it not?

Mr. PASSMAN. I do not know what you approved. I am only giving you the testimony. You make the policy; I talk about the money.

Mr. FASCELL. Maybe I misunderstood the gentleman. I thought he made the statement that there was no authorization for this item.

Mr. PASSMAN. No; I said there was no authorization request. You have authorization requests and later you have an authorization. You have no authorization request but you have an authorization; but it was not based upon testimony from downtown. Am I correct?

Mr. FASCELL. The gentleman is correct.

Mr. PASSMAN. I thank the gentleman very much.

Now, there is another item here that is also a puzzler. This came down in connection with atoms for peace. When they start talking about a gun, a ship, a pistol, a plane, or atoms, we start shaking and usually give them just about what they want.

But what happened? They came down last year and said, "Here is a

little program. We want \$6 million for atoms for peace." I said, "We had better not run too far away from that one," so we gave them \$6 million and thanked them for coming in with the atoms for peace.

Then, they went along for a full 12 months. They could obligate only \$1,550,000. They came back this year and they had \$4,450,000 on hand unobligated, lapsing. So this fine member of the Atomic Energy Commission, a wonderful personality, a great American, came in, and he said, "Mr. Chairman, we want \$7 million this year." So the members of the committee decided we had better have a little talk with the gentleman. I cannot go too much into detail, but it goes something like this. I quote from page 1091 of the hearings on atoms for peace. Mr. PASSMAN was doing the questioning at the time:

Mr. PASSMAN. Would you approve if this committee and the Congress should appropriate money for all departments, to the amount of about \$74 billion a year, on the basis of the type of justification you have made this morning? Would not you feel a bit uncertain that we did not require agencies to justify their programs?

Mr. VANCE. Yes, sir; you are very right.

So we decided not to recommend appropriation of the \$7 million. But we wanted to be as congenial and as liberal as we could, so we recommended the \$4,450,000 carryover only because of its label, "atoms for peace."

Mr. Chairman, I did not ask for the job of being the chairman of this subcommittee on appropriations. There are many Members who in all probability could do a better job, but I do not think there is any Member who would work any harder or any longer than I have done in trying to know what is in this bill and what is actually needed. As long as I am chairman of this subcommittee, I shall fight and fight just as hard as I can to give these people all the money they need to carry on the programs that our leaders say we should have to protect the security of the United States. But, my friends, are we going to appropriate money based upon justification and upon their needs and upon the facts or are we going to be panicked into giving these departments money that they do not need and that they cannot spend? There are two ways to appropriate money—one is on the basis of justification, using the past record and their own certified facts, and the other is to get stampeded into following some person who may be able and sincere, but who does not know any more about this bill than I know about surgery. I plead with you to stand by the recommendations of your subcommittee. I promise you that if we have denied \$1 that they actually need, I will submit my resignation as a member of this subcommittee and I will not conduct the hearings next year. I know I can make that statement and be perfectly safe in coming back here next year, and also knowing that I will have to come in and apologize again for recommending more money than actually needed, unless you approve this bill which is based upon commonsense and

based upon what they need, rather than on a lot of headlines that were issued prior to the time we marked the bill. I have consumed a lot of time, but my convictions are deep. As I say, the magicians may slip into the Chamber today and may endeavor to get you to accept a lot of facts and figures that are not in the record and they will try to get you to accept changed figures that have been submitted subsequent to the time of our hearings. If that should happen, I have some letters over the signatures of certain individuals that I would be forced to read to you at a subsequent time.

Mr. JUDD. Mr. Chairman, will the gentleman yield?

Mr. PASSMAN. I yield.

Mr. JUDD. As the gentleman says, possibly we gave them more money last year than they needed. But the gentleman also reports that they did not spend all we gave them. So, no matter how much we gave them, they did not spend more money than they needed. Is that the gentleman's statement?

Mr. PASSMAN. I want to be sure you understand that I do not intend to convey such an impression. I am accusing them of purposely losing sleep working up figures that cannot be justified and asking for more money than they need, and which they do not need, you understand, so as to obtain more than they can possibly spend. I challenge anyone to disprove that statement.

Mr. JUDD. But my point is that they did not spend it.

Mr. PASSMAN. They did not spend it because they asked for more money than they needed and they overstated their requirements, and I believe my distinguished friend, Mr. JUDD, knows that.

Mr. JUDD. My point is—was our country injured by the money that we gave them that they did not need or use? My own idea is that when we are in a war—and we are—it is always advisable to have a little extra, in case it should prove necessary. It was not needed last year and they did not spend it. They turned back \$538 million of funds made available for military assistance and in the special Asian fund, as the gentleman has said, there is still some \$94 million that has not been spent. I think they ought to be congratulated for that. That gives me a greater sense of confidence in them.

Mr. PASSMAN. Well, the gentleman from Minnesota can congratulate them, but I am going to condemn them for trying to mislead this subcommittee of which I am the chairman.

The CHAIRMAN. The gentleman from Louisiana has consumed 34 minutes.

Mr. TABER. Mr. Chairman, I yield myself 15 minutes.

Mr. Chairman, this bill carries a total overall of \$3,191,810,000. Why do we have the bill? It is because of our own military situation and the world military situation where we have the Communists knocking at every port of entry in the world, trying to get in and spread their wild doctrines all over the world. They are succeeding in this, beyond the wishes of many of us.

For my part, I think we made a mistake in providing as much money as we did for some of the economic operations of Mutual Security in the early days. Now, however, No. 1 or the picture is military aid. That military aid has to be provided to these people in the poorer countries of the world, on the periphery of the Iron Curtain, so that they will be able to defend their homelands, and so that other persons there, capable of defending their homelands, will keep the Communist program from breaking loose and spreading all over Europe and the rest of Asia and Africa.

Now that is just where we are, but that is just what the military item in the bill is designed to give us.

The next item is defense support. Defense support means the pay for the troops in these border countries. I will name those border countries, so that you may have them in mind to a certain extent.

They are Greece, Turkey, Jordan, Iran, Pakistan, South Vietnam, Korea, the Philippines.

Then we have the situation in NATO where we are obligated to supply certain arms and ammunition to the people there. There is \$175 million in the budget request to set up a fund which would enable them to purchase arms and ammunition for sale to Germany on the installment plan. That is necessary for us to provide, because there is no other nation in the world in a position to provide it. Those two items are the heart of this bill that we have before us.

The President asked for an appropriation of \$1,900,000,000 and the reappropriation of \$538.8 million for military assistance. The budget estimate has been cut down to \$1.6 billion, the size of the authorization bill, plus the reappropriation.

There is \$1,788,000,000 for military assistance in the bill. There is \$621 million for defense support. The two together make a little over \$2,400,000,000. The rest of the bill runs about \$700 million, and is mostly for other things, some of which cannot be provided for in advance.

The figures that the bill was marked up on show \$1,674,200,000 for the military assistance obligations in 1957. But a saving of \$539 million in the appropriation was brought about by a careful review which the head of the security agency had made of all of the items that had been reserved between 1950 and 1956 and carried along. That was salvaged out of those earlier appropriations that they had gathered together, the life of which had been extended down through the years. They used that to buy the things that permitted them to save the \$539 million that was left.

The actual expenditures, including expenditures from those funds last year, ran to \$2,213,200,000. That means that we are giving them a great deal less than they had before, and this for items that are absolutely essential if we are going to take care of our end of maintaining the peace of the world.

Mr. WIGGLESWORTH. Mr. Chairman, will the gentleman yield?

Mr. TABER. I yield to the gentleman from Massachusetts.

Mr. WIGGLESWORTH. May I ask the gentleman if it is not also a fact that there is an item of \$175 million in the 1958 obligation picture for the new revolving sales program, which was not in the 1957 picture at all? So that \$175 million more should be included to obtain a fair 1957 yardstick?

Mr. TABER. That has to be added to it. I spoke about that a moment ago. That is the fund which is to be used to buy military equipment to maintain the situation in Germany, to sell arms and equipment to Germany on the installment plan.

That is the reason why I feel that we should not go very much below the authorization figure in approaching our writing of this bill.

I have here a letter from the Assistant Secretary of State dated today, indicating that the \$500 million worth of spare parts, ammunition, and other items that were involved in this picture was procured in this way. That is why I feel that we need to supply more funds for this program. I do not believe that we ought to cut defense support as much as we have. We have cut it \$165 million below the authorization figure. Frankly, I believe the result of that kind of operation will be that we will have to supply a great deal more of our own troops out in other parts of the world than we would have to if we were able to get as many people as possible in those lands to defend their own homeland instead of us having to have our troops there.

Mr. Chairman, I could go on down the line.

Mr. VORYS. Mr. Chairman, will the gentleman yield before he leaves that military figure?

Mr. TABER. I yield to the gentleman from Ohio.

Mr. VORYS. There is this statement in the committee report which looks quite impressive, on page 5, referring to the amount which has been cut \$350 million for military assistance. It states:

The committee recommends an appropriation of \$1,250,000,000 for this item plus the reappropriation of \$538,800,000 (the latest estimate, amount unobligated as of June 30, 1957). This will provide \$1,788,800,000 for obligation during the fiscal year 1958. This amount is \$114,600,000 more than was actually obligated and reserved during fiscal year 1957 and is \$939,880,000 more than was actually obligated and reserved during fiscal year 1956.

That impressed me very much because it was entirely out of line with what my own recollection of what the figures were. I have seen the copy of this letter from Mr. Mansfield D. Sprague, in which he points out that the actual fiscal year 1957 program was \$2,200,000,000 and was not \$1,700,000,000 and what was used was \$500 million that had been programmed someplace else, but which was \$500 million of appropriations that were used in 1957. So it would seem to me the statement in the report may be technically accurate when it refers to obligations and reservations, but it is misleading when it is shown what was actually programmed. The amount was two billion two and not one billion seven.

Mr. TABER. The gentleman is correct.

Mr. PASSMAN. Mr. Chairman, will the gentleman yield?

Mr. TABER. I yield to the gentleman from Louisiana.

Mr. PASSMAN. The gentleman is just as wrong as he can be. He is looking at the wrong figure. I anticipated this so I have given you appropriations, obligations, and expenditures. The 1958 estimated expenditures were \$2,200,000,000. The gentleman should have another look at it.

Mr. TABER. When they obligate funds out of prior years' appropriations, like they did in this case, over \$500 million out of the 1956 appropriation which are salvaged, they are charged to the year in which they were appropriated and not to the 1957 figure.

Mr. VORYS. As far as the Congress and the taxpayers are concerned, the operations in fiscal 1957 were two billion two regardless of year they came from. Therefore you cannot plan as if you are going to have the same expenditures, the same program, next year, if you cut it about half a billion dollars. That is what strikes me.

Mr. TABER. That is exactly correct, and that is why we should protect the United States by providing money enough for the President to run the job to keep us out of trouble.

Mr. PASSMAN. Mr. Chairman, will the gentleman yield?

Mr. TABER. I yield to the gentleman from Louisiana.

Mr. PASSMAN. Will the gentleman please get some type of a letter, some type of a statement, establishing any figure that he mentioned? In committee this morning the gentleman said we had erroneous figures. Will the gentleman please, for the benefit of the committee, get some letter disapproving one figure that I have here?

Mr. TABER. Sure, I will get it. The gentleman need not worry about that.

Mr. PASSMAN. I sure hope the gentleman does.

Mr. TABER. Mr. Chairman, I yield 15 minutes to the gentleman from Massachusetts [Mr. WIGGLESWORTH].

(Mr. WIGGLESWORTH asked and was given permission to revise and extend his remarks.)

Mr. WIGGLESWORTH. Mr. Chairman, in appearing before your committee, Mr. Benjamin Fairless, of whom we all know and who, incidentally, served as coordinator of the President's citizens advisory group on the mutual security program, in stating that he had had a complete change of heart about the program since the investigation which he recently made at home and abroad, added these words:

I think there are millions of Americans today who are still under the wrong impression about our foreign assistance programs. They think most of the expenditures are in so-called economic giveaway programs, and they do not realize that most of them are in the mutual defense of our country in working together with our allies.

Misunderstanding is responsible for many difficulties in life. It would be tragic, however, in my opinion, Mr. Chairman, if misunderstanding by the people, should result in crippling a program which, in my judgment, is vital to

our country in terms of national defense and in terms of world peace.

I am sure that if properly understood by the people, there would be no doubt of their support.

Our whole system of national defense is based on the allied forces supported by the military features in this bill.

Seventy-five percent of the total carried by this bill, Mr. Chairman, is for the purpose of that military support.

The total provided for this purpose is only about 8 percent of the funds we make available for our own forces.

It saves us tremendously in terms both of military man-power and of dollars.

Of course, Mr. Chairman, this program has had its shortcomings.

I have lived pretty closely with it from the outset as a member of the subcommittee in charge of its appropriations. I have traveled around the world and watched it in operation in country after country. I have done my best to cure its shortcomings and to bring about economy and efficiency.

But, Mr. Chairman, I have always supported the objectives of the program.

The program has recently been described as "the most difficult and far-flung operation in the history of the world." There are bound to be shortcomings and it is easy to generalize and arrive at a wrong conclusion as to the program as a whole.

ADMINISTRATIVE AND PROGRAM IMPROVEMENTS

I want to mention in passing, however, that in my judgment real progress has been made in the right direction during the last 2 years under the leadership of our former colleague, John Hollister, and our former Secretary of the Army, Gordon Gray.

For those who are interested, I refer to page 430 of the hearings where you will find some 14 pages on administrative and program improvements inserted in the record by Mr. Hollister at my request.

I refer also to the testimony of Assistant Secretary of Defense Sprague who succeeded Gordon Gray, commencing at page 325, where the record indicates that no less than \$500 million of savings were effected during the past year by administrative improvements, including the very marked shortening of administrative lead time.

The fact that all appropriations are not obligated is to me a happy change when compared with the practices of the past. I agree with the gentleman from Minnesota [Mr. JUDD], that it is a basis for commendation and not for condemnation.

DROP IN APPROPRIATIONS AND EXPENDITURES

The members will note that appropriations have fallen from a peak of \$7.4 billion back in 1951 down to \$3.9 billion as of today; and that expenditures show a similar trend, falling from a peak of \$5.7 billion in 1953 down to \$3.9 billion today.

IMPORTANCE OF PROGRAM

Mr. Chairman, I do not think the importance of this program can be over-emphasized.

It reflects a policy which has been bipartisan in character, adopted in the

face of the military might of the Kremlin and its insatiable desire for world domination.

It implements a policy of collective security based on the conviction that with 6 percent of the world's population not only a powerful America but powerful allies are vital to our national defense.

It carries forward a military policy which has compelled the Kremlin, for the time being at least, to abandon military aggression, and to concentrate its efforts in other fields.

It carries forward an economic policy of the helping hand where necessary to nations desiring to remain free and outside the Iron Curtain.

To relax these policies, Mr. Chairman, in my judgment, is to play directly into the hands of the Kremlin.

COMMITTEE ACTION

I am very unhappy at the recommendations submitted by your committee.

Military assistance, slashed \$300 million in the authorization bill, has been slashed another \$350 million, for a total of \$650 million or just about 33½ percent of the original request.

Defense support, slashed \$150 million in the authorization bill, has been slashed another \$130 million for a total of \$280 million below the budget request.

The new development loan fund for which \$500 million for the first year was carried in both versions of the authorization bill, has been slashed 40 percent to a total of \$300 million.

The President's special assistance fund, designed primarily for emergency purposes, slashed \$50 million in the authorization bill has been slashed another \$75 million for a total of \$125 million less than the budget request.

The over-all total has been reduced about \$800 million below the authorization bill and about \$1,300,000,000 below the revised estimates submitted by the President.

It leaves an unexpended military assistance balance as of the end of 1957 of about \$3,700,000,000 and as of the end of 1958 of about \$3,200,000,000, both of which are far below the 2-year level of pipeline normally required by the military.

Mr. MORANO. Mr. Chairman, will the gentleman yield?

Mr. WIGGLESWORTH. I yield to the able gentleman from Connecticut.

Mr. MORANO. The gentleman has made a very fine statement. He talked about the percentage cuts. Some of the percentage cuts are 40 percent, 33 percent, and so on. How do these cuts compare with the average cut we made in other appropriation bills heretofore passed by the House?

Mr. WIGGLESWORTH. I have not made a computation of all the cuts in terms of percentage, but the cut to which I have just referred of 33½ percent in military assistance is of course far in excess of the average percentage cuts which have been made.

Mr. MORANO: Much deeper?

Mr. WIGGLESWORTH. Much deeper.

Mr. HOFFMAN. Mr. Chairman, I make the point of order that a quorum is not present.

The CHAIRMAN. The Chair will count. [After counting.] One hundred and eight Members are present, a quorum.

Mr. MILLER of Maryland. Mr. Chairman, will the gentleman yield?

Mr. WIGGLESWORTH. I yield.

Mr. MILLER of Maryland. I should like to answer the question the gentleman just asked. The cuts in the other departments run from 2 percent in Treasury to 31 percent in Commerce, but the Defense Department cut was 6.5 percent, and this runs over 25 percent.

MILITARY ASSISTANCE

Mr. WIGGLESWORTH. Mr. Chairman, the purpose of military assistance is primarily to provide military equipment made in American factories by American labor to our allies.

It is to help Korea, Taiwan, and Turkey, maintain more divisions, each of them, than we maintain in the United States.

It is to help maintain some 4,800,000 ground forces, 2,500 combat ships, and 27,000 planes.

It is to maintain them at a cost of something like 3 or 4 percent of what it would cost us if we tried to do the job with American manpower and American dollars.

Surely no one wants our American boys to shoulder the burden that our allies are now carrying for us.

The cut of 33½ percent, in my judgment, is far too drastic.

DEFENSE SUPPORT

The purpose of defense support is to help certain allies to maintain forces which it would be impossible for them to maintain without assistance.

Korea has 21 divisions. Taiwan has 20 divisions. Turkey has 20 divisions. None of them could support their armed forces without assistance from this country.

I may add, Mr. Chairman, that cuts in this particular item are especially hard to take, because all defense support money is money contemplated for expenditure in 1958—there are no long-term items in it—and because 80 percent of the total requested under this heading goes to 5 countries—Korea, Taiwan, Vietnam, Pakistan, and Turkey—which are of such great importance to us in terms of our national defense.

Mr. JUDD. Mr. Chairman, will the gentleman yield?

Mr. WIGGLESWORTH. I yield.

Mr. JUDD. What does the gentleman think that the Government of Korea, for example, could do if it had to take, as a result of the cuts in this bill, a 35 percent cut in the defense support which is keeping it going. Would it demobilize 7 of its 21 divisions?

Mr. WIGGLESWORTH. I assume it would have to demobilize a substantial number of its divisions. It would be impossible for Korea to continue to support all its divisions without assistance.

Mr. JUDD. In 6 years we have spent literally billions of dollars equipping those divisions and training them. They are first rate. Now, are we going to de-

mobilize 7 of their 21 divisions because they themselves simply do not have the funds to pay and feed and house and clothe and supply them? That is what defense support is for.

Or is Korea, as an alternative to demobilization, to run the printing presses and crack up with inflation?

And third, what will happen to the morale of that army if its great and powerful ally which has encouraged it to build up those divisions and which has equipped and supplied them now says, "We will not make it possible for you to keep those divisions in the field." And what good will any of the divisions be, if their confidence in us and their morale are shaken?

Mr. WIGGLESWORTH. These forces, in my judgment, are in our front lines. I can think of nothing more shortsighted from a national standpoint than to make it impossible for them to continue to function.

Mr. GROSS. Mr. Chairman, will the gentleman yield?

Mr. WIGGLESWORTH. I yield briefly to the gentleman.

Mr. GROSS. Is not Korea a United Nations operation?

Mr. WIGGLESWORTH. The gentleman knows that Korea has some 21 divisions and that they are playing their part in the free world front lines.

Mr. GROSS. What is the United Nations doing to support South Korea?

Mr. WIGGLESWORTH. I do not know just what it is doing, but we are not talking about that today. We are talking about our own national defense, and the part that our allies play in the front lines in our defense.

Mr. GROSS. Is not the United Nations sharing in the support of South Korea since it is supposed to be a United Nations operation?

Mr. WIGGLESWORTH. I assume it is to some extent, but I cannot answer that.

Mr. GROSS. Why must we take the whole load then; or are we taking the whole load?

Mr. FORD. Mr. Chairman, will the gentleman yield?

Mr. WIGGLESWORTH. I yield.

Mr. FORD. At the time of the armistice in Korea, we had 7 divisions—United States Army divisions in Korea. We now have less than 2. Our United Nations allies, likewise, had forces there at the time of the armistice. They have made reductions not much greater, if any greater percentagewise. So they do have forces in South Korea just as we do.

Mr. GROSS. Of course, if the gentleman will yield further, they did not have any troops there in the first place—percentagewise or otherwise.

Mr. FORD. I might say this. Some of the countries that are being assisted by defense support and this program had some of the most valiant and valorous forces in South Korea during the fight.

Mr. GROSS. Well, I will get some time later to answer that one.

Mr. GARY. Mr. Chairman, will the gentleman yield?

Mr. WIGGLESWORTH. I yield.

Mr. GARY. The gentleman from Minnesota is complaining about the fact

that this bill would wreck the forces defending Korea and Formosa. Is it not a fact that this bill carries \$621 million for defense support whereas the House recommendation in the authorization bill only carried \$600 million? Therefore, we have \$21 million more in this bill than the House authorized for that purpose.

Mr. JUDD. Of course, that was a great mistake, I believe, on the part of the House. The \$621 million is still almost \$300 million below the budget request.

Mr. GARY. But this bill provides \$21 million more than the House authorized.

Mr. JUDD. But it still is less than the budget request and the authorization bill.

Mr. TABER. If the gentleman will yield, we did not give them any more than they need.

Mr. VORYS. The House authorized yesterday \$750 million for defense support. That is the last vote of the House, when they approved the conference report. That is what the House approved.

Mr. GARY. But the House did not approve that amount in the House bill. The House conferees gave way to the Senate conferees in arriving at that amount.

Mr. VORYS. You were asking what the House approved. They approved \$750 million only yesterday.

Mr. GARY. Not as a specific item. They approved the conference report with that as one of the items in it.

Mr. WIGGLESWORTH. If I may now say a few words, I would like to say to the gentleman from Virginia [Mr. GARY] that I am reliably informed that the amount recommended in this bill for defense support for 15 nations is \$80 million below that which was requested for only 5 of them—Korea, Taiwan, Vietnam, Pakistan, and Turkey.

I am further advised that the program for those 5 countries will have to be cut to the extent of 32 percent.

The programs for 5 other countries, including Iran, Thailand, Cambodia, Laos and Greece, will also be cut to the extent of 32 percent.

Also the programs for four base-supporting countries, Ethiopia, Libya, Morocco, and the Philippine Islands must be cut more than 20 percent.

I hold in my hand a copy of a press release, issued at the White House this morning. It states, among other things, that the President said the proposed cut in defense support will compel almost certainly dangerous reductions in the size and effectiveness of the forces now being maintained by free nations bordering on Communist lands; and, in addition, that it will lead to serious difficulty in the economies of those nations supporting such forces.

Let us return now, Mr. Chairman, to other items in this bill.

ECONOMIC AND TECHNICAL COOPERATION

The purpose of economic and technical cooperation is to help countries desiring to remain free and outside the Iron Curtain who are not strong enough economically to remain free without assistance.

It is in this field that most criticism has centered in the past. There have been too many projects and too many ill-considered projects. Projects have been based on illustrative programs unsatisfactory to the Executive—unsatisfactory to the Congress. There has been too much personnel. There have been waste and extravagance.

This year the bill provides for a new procedure. It results from the recent investigations made for the President, for the Senate, and for the House.

It provides for a development fund limited to making loans. It is designed to bring about economy and efficiency; to put economic aid on a more business-like basis along the lines of the Export-Import Bank; to substitute loans for grants; to provide financing under which repayment is possible in place of the present system where there is no repayment; to eliminate unsatisfactory illustrative programs; to substitute specific projects under specified criteria; to base requests for appropriations on known performance in the past rather than on unknown performance in the future.

It offers the possibility, in my judgment, of great improvement.

The original request was for a capital fund of \$2 billion to be accumulated over a period of 3 years, \$500 million in appropriations in the first year and \$750 million through borrowing authority from the Treasury in both the second and third years.

The authorization bill provides for a maximum capital of \$1,125,000,000 to be accumulated over a period of 2 years, \$500 million in the first year, \$625 million in the second year, both in terms of appropriations.

The \$500 million carried in both versions of the authorization bill have been slashed by your committee to \$300 million, in spite of an expenditure for development assistance in fiscal year 1957 amounting to about \$410 million.

The slash is far too drastic.

In his press release this morning the President states that the slash of 40 percent "makes impossible the realization of the important purpose for which the fund was established by the Congress."

SPECIAL ASSISTANCE FUND

The purpose of the special assistance fund is to provide the President with funds which he can use if necessary in cases of emergency.

Similar funds have been provided in the past. They have been used only in the case of emergency. They have proved vitally important in such cases as Iran, Guatemala, and, I think, Hungary and Jordan.

Three hundred million dollars was requested, \$100 million for programmed items, and \$200 million for emergencies.

The total, slashed by \$50 million in the authorization bill, is further slashed to the extent of \$75 million, or a total of \$125 million, in your committee recommendations, leaving a total of \$175 million, \$100 million of which is already programmed.

To quote the President's press release again:

The cut in the special assistance fund will not only seriously affect the funds for such programs as the worldwide effort to eradicate malaria and to aid Hungarian refugees, but it will also seriously reduce the reserve funds hitherto provided to the President to meet the emergencies which inevitably develop in the world we live in today.

TECHNICAL ASSISTANCE AND OTHER PROGRAMS

I shall not refer, Mr. Chairman, to the technical assistance program or to the other programs, some 15 in number, carrying relatively small amounts and detailed in the committee report.

I repeat, Mr. Chairman, in conclusion, that our whole national defense plans are based on the allied forces supported by military assistance and defense support; that failure to appropriate sufficient military funds for this purpose plays directly into the hands of the Communists and compels the utilization of far more American manpower and far more American dollars.

I regret that the committee has made such drastic reductions.

I hope that they will largely be restored before the bill becomes law.

THE CHAIRMAN. The time of the gentleman from Massachusetts [Mr. WIGGLESWORTH] has again expired.

Mr. PASSMAN. Mr. Chairman, I yield 10 minutes to the gentleman from Kentucky [Mr. NATCHER].

(Mr. NATCHER asked and was given permission to revise and extend his remarks.)

Mr. NATCHER. Mr. Chairman, the Subcommittee on Foreign Operations Appropriations of the Committee on Appropriations brings to the floor of the House for your approval the mutual security appropriations bill for 1958.

Our chairman, the distinguished gentleman from Louisiana [Mr. PASSMAN], together with the other members of the subcommittee have spent many long hours in examining witnesses who appeared to justify the amounts requested for the Mutual Security Program for fiscal year 1958. During our hearings we heard 70 witnesses and if you will examine the hearings you will find that 1,159 pages were consumed in recording the action of our subcommittee.

The budget submitted to Congress on January 16 of this year assumes that a surplus will exist in both fiscal year 1957 and 1958. The 1958 budget calls for record peacetime expenditures of \$71,800,000,000. The proposed expenditure increases are distributed broadly and consist for the most part of many small increases. Budget receipts of \$73,600,000,000 are estimated for fiscal year 1958. The people generally do not believe that this budget is consistent with good government and, in order to stabilize our economy and to encourage its sound growth, there must be a reduction in the budget requests for 1958. A casual examination of the budget clearly shows that it is in precarious balance depending upon postal-rate increases and other anticipations which probably will not take place plus the hope for a steadily rising income. Of course, none of this is assured.

When the 1958 budget was presented to Congress comparisons were immediately made of the amounts approved for prior years. For 1957 we have \$60,647,000,000; \$53,124,000,000 for 1956; \$47,464,000,000 for 1955; \$54,539,000,000 for 1954; \$75,355,000,000 for 1953; \$91,059,000,000 for 1952; \$84,982,000,000 for 1951; and \$37,825,000,000 for 1950. Presentation of the 1958 budget caused consternation throughout the land.

Current taxes from all sources are taking a full third of the income of all citizens. Taxes at present rates are taking more than 90 percent of a great many individual incomes and more than 60 percent of the net income of most of our corporations. I for one believe that our present tax rates are approaching confiscation, and I do not believe that our present economy can survive under such conditions. Our dollar value is dropping, and inflation is certainly with us today. Our Federal debt is at its statutory limit, and it requires 10 cents of every tax dollar to pay the interest on our debt. The \$275 billion Federal debt equals the full assessed value of all of the land, buildings, machinery, and tangible personal property in the United States. Our debt is larger than the debts of all other countries of the world put together. Our Government has reached tremendous proportions requiring some 2,500,000 employees.

The main difficulty faced by Congress in attempting to reduce the budget stems from the fact that much of the money to be spent in the ensuing fiscal year has already been provided by Congress in authorizations and appropriations permitting the purchase of goods to be paid for on delivery and the expending of borrowed funds. This obligational authority prevents, in many instances, reductions where cuts might be justified. Another factor in reducing the budget is the fact that so many expenditures are fixed by basic law. One of the basic arguments for reducing the 1958 budget is that the Federal Government is simply too big and participates in too many things which should be controlled by private industry. Another argument, of course, is that the upward trend of Federal spending is inflationary and if continued will bring on a depression. The people generally were shocked at the amounts contained in the 1958 budget and, in pointing out places where reductions might be made, much was said about reducing foreign aid. Statements to the effect that the United States should get out of the foreign-aid business and look to the needs of its own taxpayers were heard on every corner. With little understanding existing at the present time concerning the Mutual Security Program, or foreign aid as you might want to call it, it is understandable why so many demands have been made that the foreign-aid program be reduced substantially or eliminated entirely. Complete failure on the part of this administration and its predecessors to properly explain the Mutual Security Program to the people of this country is the reason for the major attack on foreign-aid spending at this time. Foreign aid is a

vital investment in the Nation's own security, and some of our money expended in this program has produced results.

This is the situation with which we were confronted at the time the President requested \$4,400,000,000 for the mutual-security program for fiscal year 1958. Shortly after hearings were started by our committee, the \$4,400,000,000 request was reduced to \$3,864,000,000 in new appropriations and request made for reappropriation of \$538,800,000 for military assistance. The overall amount requested for reappropriation is \$667,050,000. In addition to this figure, we have \$93,673,000 in the Special Presidential Fund that carries over and requires no reappropriation.

The Mutual Security Act of 1957 as passed by the other body contains authorizations amounting to \$3,637,110,000. The House version recommended appropriations totaling \$3,136,610,000. After conference and upon final passage of the Mutual Security Act of 1957 we have requests totaling \$3,386,860,000.

At present our mutual-security program is divided into four parts—military assistance, defense support, development assistance, and technical cooperation. Under military assistance we have appropriations for weapons, equipment, training, spare parts, and maintenance. Under defense support necessary appropriations are made for projects such as highways, ports, and communications. Under development assistance we have appropriations for countries where no substantial military assistance program was in force and pertaining to economic assistance other than technical cooperation. Technical cooperation consists of the sharing of our technical knowledge and skills with other free countries, and necessary appropriations are granted to carry out this purpose.

The program as submitted for fiscal year 1958 seeks to place defense assistance appropriations, both military assistance and defense support, in the regular Department of Defense budget and creates the proposed development loan fund which would be earmarked for use to help finance, independently or in partnership with other public lending institutions or private enterprise, soundly conceived economic development in free countries of the less developed areas. Requests were made for \$500 million in fiscal year 1958 for the development loan fund and for \$750 million in each of the 2 ensuing years to be financed through public-debt authority.

Before taking up the amounts recommended in this bill for the mutual-security program for fiscal year 1958, it might be well to review briefly the purposes for this program and the accomplishments since its inauguration in 1948. From 1945 through June 30, 1956, we have expended \$63,940,975,000 for foreign aid. Our contribution to the United Nations Relief and Rehabilitation Agency of the United Nations Organization totaling \$2.3 billion marked the beginning of our foreign-aid program. In the year 1947 President Harry S. Truman requested Congress to appropriate necessary sums for aid to Turkey and Greece.

thereby stopping Communist aggression in this section of the world. In 1948 the Economic Cooperation Act was passed authorizing the European recovery program as proposed by Secretary of State George C. Marshall. Here we have the beginning of the Marshall plan. Next, in order to increase the defensive strength of our allies the Mutual Defense Assistance Pact was passed in 1949. The Act for International Development of 1950 authorized technical cooperation and our Mutual Security Act of 1951 changed the purpose of economic aid. We are presently operating under our Mutual Security Act of 1954.

The Marshall plan prevented a collapse of western and southern Europe and completed postwar reconstruction. Technical and economic assistance prevailed at this time. Here we have substantial incrementation of production, restoration of internal financial stability, the economy of Europe, acquisition of integration of a dollar exchange by dollar savings and increased imports. European imports increased 65 percent, inter-European trade increased 86 percent, and production of agricultural commodities exceeded prewar levels. The Marshall plan was a success.

The Soviet Union with its show of force and threats in Greece, Iran, Turkey, Malaya, Burma, Philippines, Vietnam, and Korea, took us out of the purely technical and economic aid field and compelled us to begin our program of military assistance and defense support.

The mutual-security program is now considered as a vital part of our foreign policy. This is based on the premise that the strength evidenced by the free nations of the world is essential to the preservation of our own freedom. It is an admitted fact that today there is no evidence whatsoever of a change of position or of a weakening on the part of the Soviet Union. Our accomplishments under the Marshall plan are admitted and Turkey, Greece, and so far Jordan are excellent examples of the effectiveness of the mutual-security assistance program.

The plea which we often hear that the mutual-security program is necessary to our national security and must be recognized as a continuing program certainly has not been properly explained to the people in this country. We have expended millions of dollars on several programs since 1948 which have not proved successful. In some instances certain countries receiving our mutual-security assistance have handled their programs in such a loose manner as to bring about charges of graft and bad management. Our people do not approve of this type of management and our mutual-security program has suffered as a result of same.

Our mutual-security program so far has not been operated on a businesslike basis, and this has resulted in confusion and the squandering of millions of dollars.

The attention of our committee has from time to time been called to the statement that collective security is truly a case in which the whole is greater than the sum of the parts, and the instru-

ment which creates the whole out of these parts is our mutual-defense-assistance program. This program consists of two elements—first, the provision of weapons and military equipment to friendly countries; and, second, economic aid which is given to allied countries to compensate their economies for contributions made to the common defense.

People generally in this country do not realize that approximately 85 percent of every dollar expended in the mutual-security program is for materials, supplies, and equipment manufactured and purchased in this country. For a number of years our offshore procurement program was one part of this program which was subject to criticism. This criticism was justified. We have heard charges from time to time of graft and poor management on the part of some of the countries who have been receiving our assistance.

A great many of our people are unable to understand the necessity of the expenditure of millions of dollars for construction of irrigation projects in French West Africa, hydroelectric plants in Iceland, steam-electric stations in Italy, irrigation and power-development projects in Portugal, multi-purpose dams in Taiwan, thermal-power-generation plants in Cambodia and Vietnam, hydropower plants in Korea, flood-control projects in the Philippines, land-and water-utilization projects in Egypt, irrigation projects in India, Nepal, and Ethiopia, together with all the other projects constructed to date, totaling 197. These projects were constructed in 42 countries, and a number of them cannot be justified.

Sixty-seven out of eighty-seven countries in the world have received aid of some form under our mutual security program. In fiscal year 1958 10 countries will receive military assistance, 28 countries will receive military and economic assistance, and 21 countries will receive economic aid.

As the leading Nation of the world today we have assumed obligations which in the past were generally provided for by Great Britain. At the beginning of the 20th century Great Britain was acknowledged as the greatest country in the world. In 1900 the British Empire consisted of more than 60 colonies or one-fourth of the globe. In 1939 the British population totaled 563 million but, according to current estimates, Great Britain's population in 1959 will amount to only some 30 million. During the 19th century Great Britain, as the leading world power, developed a great many undeveloped countries of the world. Great Britain's present financial trouble is the result of the "Workshop of the World" being seriously out of date in many respects and with concentration shifting to other countries with newer methods. The burden of the tremendous defense program over an extended period of time has finally taken its toll. As Great Britain loses her empire, the United States is called upon to assist these new countries of the world economically. Both of our countries are now caught in an inflationary spiral. Our assistance economically and mili-

tarily to the new countries is to keep them from going behind the Iron Curtain. A total of 19 nations have received their independence since 1945, and their combined populations amount to 700 million people. A great many of these nations, such as Ghana, are in need of roads, schools, sanitation projects, and many other projects which, if granted, will raise their economic standards. The question is just how far can we go with our mutual security program in aiding the new nations of the world. We must stop and take a new look at our entire program.

Can we depend on foreign aid as an instrument of our foreign policy? We are today making an intensive effort to answer that question. During the past few months a citizens committee was sent around the world to ascertain what, if anything, foreign aid is accomplishing. This committee, under the able leadership of Benjamin Fairless, proposes that foreign aid programs be continued at about their present levels with, however, greater emphasis given upon the making of private investments.

We should keep in mind that the cost of maintaining an American soldier in this country is \$3,511 annually. This does not include the weapons, equipment, transportation, and other costs which go into making him an effective fighting man in any part of the world. By contrast, the cost to pay, house, feed, and clothe a French soldier is \$1,440, Pakistani \$485, National Chinese \$142, and a Turk \$105. The figure of \$3,511 for an American soldier is only about half of what it costs to maintain an American soldier worldwide. The cost of maintaining an American soldier abroad is approximately \$7,100 per capita per year.

In Korea our problem is almost entirely military. Korea is still in a state of suspended war and here the sole hope rests upon the presence of American and United Nations troops on her soil. In Formosa, we intended in the beginning to prevent the island from going to the Communists and this has been accomplished. So far our assistance to Japan has paid dividends. If Japan deserts the free world, our position in the Pacific would become almost untenable.

In considering our foreign-aid program together with our foreign policy, I am just wondering if our 2,000 foreign-aid projects underway throughout the world today, can be properly administered effectively and if our people in charge of these projects know enough about the countries concerned to carry this number at one time.

Our people know very little about the projects or the purposes of the projects which we have underway throughout the world today. There is considerable distortion and misunderstanding of this entire program. Our people are not adequately informed regarding conditions in the countries receiving aid. Some foreign-aid information is available to the public, but military and diplomatic secrecy prevails in many instances. For instance, the Department of Defense disclosed that from January through December of 1956, our allies received \$1,100,000,000 worth of planes, \$118 mil-

lion worth of tanks and combat vehicles, \$110 million worth of ships, and \$189 million worth of electronic and communications equipment. The Department of Defense very carefully omitted naming the countries receiving this equipment or any part of same. We have built up a complicated extensive program and disseminated information abroad regarding the United States, but our agencies, such as the United States Information Agency, are not permitted under present law to disseminate information to the people in this country.

Since World War II, we have clearly demonstrated to the world that we can produce and share great quantities of wealth. We have, through the volume of our foreign aid, made many mistakes and squandered much money. If a smaller amount of aid were given after more careful planning the results received would be considerably more effective than the larger amount which we have attempted to administer mechanically.

In making his annual request for mutual security, our President recommended that foreign-aid activities be placed on a continuing authorization basis and that military assistance and defense support be included in the regular budget of the Defense Department. I do not agree with either proposal. It is obvious that the placing of nearly all of the foreign-aid program on a continuing basis is an attempt to remove this annual problem from the public's attention, as well as that of Congress. Transfer of military aid and defense support to the defense budget is simply a method of attempting to bury the larger portion of each year's foreign outlay. The American taxpayer foots the bill and is entitled to know just what is going on.

The new development loan fund program would start with an initial appropriation of \$500 million for 1958. The authorization act provides for the sum of \$625 million for fiscal year 1959. In other words, the program is limited to a 2-year period. Loans made under this program would be replaceable in either dollars or local currencies, and they would be soft loans. Development loans under the proposal as submitted this year would be made directly to the country, or as a guaranty to private businessmen who are prepared to invest their own resources. Loans could be made to public or industrial banks which, in turn, would make investment capital available to qualified private businessmen or farmers. This money would be used to buy the obligations of new productive business which would later be sold to private individuals to be used to finance activities which support or supplement opportunities for privately financed ventures.

The Fairless report states that loans by the United States repayable in inconvertible currencies of foreign nations are undesirable, and the practice of granting them should be terminated. This report further states that our relations with other countries will suffer from United States control of large amounts of their currencies, and the

soundness of the loan device should not be jeopardized by inviting repayment in foreign currencies which cannot be freely spent by the United States. This is in direct contradiction to the proposal of the State Department today.

In reviewing our foreign-aid program over the years we find that in fiscal year 1953 the budget request amounted to \$7,914,000,000 with \$6,143,000,000 approved. The reduction amounted to \$1,771,000,000 or a 22.4 percent cut; in 1954, \$7,689,000,000 requested with \$4,725,000,000 granted thereby resulting in a 38.5 percent cut; in 1955, \$3,510,000,000 requested with \$2,781,000,000 granted thereby resulting in a 20.8 percent cut; in 1956, \$3,530,000,000 requested with \$2,703,000,000 granted thereby resulting in a 23.4 percent cut; in 1957, \$4,860,000,000 requested with \$3,767,000,000 granted thereby resulting in a 22.5 percent cut. Each year great noises result from a reduction by our subcommittee of the amounts requested for foreign aid, but no satisfactory evidence has ever been presented to our committee after the reductions were made showing that the cuts adversely affected the foreign-aid program. The truth of the matter is that the annual multi-billion-dollar carryover of unexpended military economic aid funds indicates just the contrary. This proves that our reductions still left adequate funds for the program.

Mr. Chairman, we recommend the following amounts for our mutual-security program for fiscal year 1958:

	Request	Recom-mended
1. Military assistance	Thousands	Thousands
2. Defense support	\$1,900,000	\$1,250,000
3. Development loan fund	900,000	585,000
4. Special assistance	500,000	300,000
5. Technical cooperation, United States	300,000	175,000
6. Latin American economic development	151,900	113,000
7. Atoms for peace	7,000	-----
8. North Atlantic Treaty Organization	2,700	1,500
9. Technical cooperation, United Nations	15,500	15,500
10. Technical cooperation, Organization of Ameri- can States	1,500	1,500
11. Joint control areas	11,500	11,500
12. Intergovernmental Com- mittee for European Mi- gration	12,500	12,500
13. United Nations Refugee Fund	2,233	2,233
14. Escapee program	5,500	5,500
15. United States Children's Fund	11,000	11,000
16. Ocean freight	2,200	2,200
17. Control act expenses	1,300	1,000
18. Administrative expenses, ICA	35,000	32,750
19. Administrative expenses, State	4,577	4,577

This bill carries an appropriation of \$15,500,000 for the United Nations technical assistance program. This is a successful program and benefits have been derived by nations throughout the world. The prestige of the United Nations is not on the wane and our people believe in the future of this fine organization. The U. N. as an organization cannot prevent war by means of the General Assembly and the Security Council alone. Programs such as the United Nations Technical Assistance Program, which

started in 1950, have played a major part in uniting the nations of the world and through economic and social advancement removed disturbing influences and problems which bring about war.

The total cost of our mutual security program each year is only a small portion of the estimated cost of another war, which in all probability would be the last war. As we continue our struggle for peace, we must remember that the gross tabulation of monetary costs for the United States for World War I was \$66,592,966,000; World War II, \$449,678,266,000; the Korean war cost \$150,878,533,000 making a total for the three wars of \$677,149,765,000.

Democracy and communism cannot coexist in the same world. Our study of history discloses the fact that tyranny and despotism eventually destroy themselves. We know that the world cannot exist on a half-slave, half-free basis and until we have some show of sincerity and positive action on the part of Russia, it would be foolish to let down our defenses. The day of the huge buildup for war has passed and we can no longer wait until we are pushed into war to begin building our strength.

A powerful America carries with it the best assurance against a global war and the best assurance of security in the event of war. To me, preparedness is simply a matter of degree. Our industrial superiority over the Soviet Union is admitted. The fact that we have strategically located throughout the world some 250 air bases, which can be used to carry the attack quickly, has, according to my opinion, prevented a sudden attack on this country. Our Mutual Security Program has placed us in a position of being able to obtain and maintain strategic air bases completely encircling the Soviet Union.

In developing our foreign policy and in considering our mutual-security program we must realize that the free world is today threatened by the most dangerous aggregation of aggressive power in our entire history.

In some instances assistance has been granted which works an extreme hardship on segments of our own population. Agriculture is one good example. Assistance to foreign agriculture during fiscal year 1956 under the mutual-security program totaled \$136,882,000. We have technical-assistance programs in sixty-odd countries and in two-thirds of these countries we have agricultural programs. We have expended over a billion dollars of our money in foreign agricultural programs and in addition to this amount some \$500 million has been expended for agricultural machinery and equipment. This equipment was given to farmers throughout the world who compete with American agriculture. From time to time we hear complaints from our farmers concerning this matter and to me their complaints are justified. During the fiscal year 1956 several million dollars of our money was expended for agricultural machinery, fertilizer, seeds, and pesticides. Under the present budget proposals for mutual security, between \$175 million and \$200 million of the total

amount requested will be used to acquire surplus farm commodities under the mutual-security program.

With only 6 percent of the world's population the burdens that we carry today are tremendous. Our mutual-security program requires more study, consideration, and more careful planning. Conflicts in the technical-assistance programs of this country and the United Nations organization should be eliminated. The American people should be informed, not only of the mutual-security program and its primary aims, but should also be informed of the Export-Import Bank loans, International Bank loans, World Bank loans, or loans from any other source financed by this country which are directly or indirectly a part of our foreign-aid program. The amounts involved under Public Law 480 sales and their use in the mutual-security program should be clarified and made a part of the record.

The total sales proceeds under Public Law 480 which have been received from the beginning of this program from March 31, 1957, amount to \$1,044,000,000 equivalent in foreign currencies. Negotiated agreements will provide additional sales proceeds of \$1,053,000,000 making the total \$2,097,000,000. This estimate carries through the month of June of this year. Of this amount of \$2,097,000,000 there have been loan agreements amounting to \$386 million. The sums not as yet covered by signed loan agreements but provided for under the arrangements made in the sales agreement and ultimately to be covered by loan agreements consist of another \$759 million which makes a total of \$1,145,000,000 which is either already covered by loan agreements or will be covered by loan agreements. Public Law 480 currencies are available under certain restrictions. The restrictions are contained in the law and require us to use the currencies in our development activities in the country where obtained with a loan made back to the country which in turn uses the currencies in the development field. We have the right to approve the project for which the country uses these funds. In some cases these currencies are used for loans to private organizations and in other cases the Government uses them direct.

As of June 30, 1957, there was in the pipeline some \$6,195,000,000 in undelivered materials, commodities, and services. We have on the military assistance side alone \$4,262,000,000 of undelivered military items and services. We can add to the amount in the pipeline the sum of \$1 billion in counterpart funds in other local currencies generated by the mutual-security program.

Our counterpart accounts as of March 31, 1957, for 29 countries totals \$1,062,955,201.

In order to ascertain the increase in strength of the other nations of the free world, we might compare the years 1950 and 1956. In 1950 our allies active ground forces numbered about 3½ million poorly equipped men. Their naval forces contained less than 1,000 combatant vessels. Their air forces contained 11,500 aircraft with less than 500 of this number being jets. By the end

of 1956 the situation had changed considerably. At this time we have 4,800,000 in the ground forces of our allies, with over 2,300 combatant vessels in their navies, and over 12,000 conventional aircraft with the number of jet aircraft increasing to nearly 11,000. The men in these forces are now well trained and organized and properly equipped.

We have grant-aid programs in 38 foreign countries with military advisory groups located in each country. In 73 foreign countries and United States possessions we have, in addition to military advisory groups, military personnel. In some of the countries our military personnel is small and in others the number runs into the thousands.

The economy of this country and every country of the world must be strong enough and sufficient to provide necessary defense expenditures. In this country 10.1 percent of our gross national product is used for defense expenditures. By way of comparison, we find that France uses 8 percent, Cambodia 11 percent, Laos 36 percent, Taiwan 16 percent, Vietnam 11 percent, and Italy 4 percent.

We have appropriated the sum of \$33,759,850,000 for the operation of the Army, Air Force, Navy, and the Marines for the fiscal year beginning July 1, 1957. The duplications and tensions among the services in this country are real and costly. Complete unification in our services would bring about a savings of approximately \$6 billion each year.

In considering our mutual security program we must realize that the free world is today threatened by the most dangerous aggregation of aggressive power in our entire history. We have made many mistakes in this program since its inception, and, as a result, millions of dollars have been squandered. This program has not been operated on a businesslike basis and such action has resulted in confusion. The question as to whether or not we can depend on foreign aid as an instrument of our foreign policy has not been fully answered. We should also remember that the strength evidenced by the free nations of the world is essential to the preservation of our freedom. I sincerely believe that a powerful America is our best assurance against a global war and I believe that it is to our best interest to continue to secure and operate strategic air bases under our mutual security program for protection not only to ourselves but to the free world generally.

Our committee recommends this bill to the Members of the House.

Mr. TABER. Mr. Chairman, I yield 3 minutes to the gentlemen from New Jersey [Mr. CANFIELD].

Mr. CANFIELD. Mr. Chairman, like my good friend the distinguished gentleman from Kentucky [Mr. NATCHER], who has just left the well of the House, I labor here in the House of Representatives and I sleep better at night because of the strength of the military bases the free world has today encircling the U. S. S. R. I am, however, at this moment concerned about a statement made earlier in the day by the distinguished

gentleman from New York, the ranking minority member of the House Committee on Appropriations, and I propose to ask him one question.

Before doing that, however, I wish to read a short statement from the report of the House Committee on Foreign Affairs authorizing this legislation. The statement is this:

The need for the military assistance program is clear. Our assistance is a vital adjunct to the defense efforts of our allies and to our own defense. * * * If the United States were to endeavor to achieve a comparable defense status from its own funds and manpower, it would be impossible. For example, it costs per year to pay, house, feed, and clothe the average military man of our allies on his own soil, for Turks, \$105; for Koreans, \$117; for free Chinese, \$142; for Italians, \$837; while the comparable cost for a United States military man, without arms, is \$3,511, to which must be added \$3,000 per year for transportation and maintenance, making a total of approximately \$6,600.

That is the cost for an American GI to be sustained abroad.

Now, this is the question I wish to address to my friend from New York [Mr. TABER]: What effect will the cuts in this bill have on requirements for and costs of our own American troops abroad? I know the gentleman discoursed on that subject in committee earlier today. Would he say something about it now?

Mr. TABER. It would be impossible to state, but it costs them just about 10 percent of what it costs us to maintain a soldier.

Mr. CANFIELD. Having in mind the Communist threat at this hour, does it not, perchance, mean also that we may have to send and keep perhaps more American boys abroad?

Mr. TABER. It certainly does.

Mr. FULTON. Mr. Chairman, will the gentleman yield?

Mr. CANFIELD. I yield to my good friend, the gentleman from Pennsylvania.

Mr. FULTON. It costs the United States today \$6,600 a year to keep an American soldier stationed abroad, so we need the troops of our friends and allies as an economy measure for both American men, and American taxpayers' dollars. It means that if we in Congress do not keep these foreign troops standing with us on their own soil, there will have to be possibly an additional draft of American men to fill the gap to man the vital chain of security bases so necessary to the defense of America and the free world.

Mr. CANFIELD. That is the testimony and the President and Commander in Chief has today emphasized his repeated warnings against these severe cuts he insists are dangerous to our own security. He has also established the cuts to be false economy. No one is more anxious than he to make it unnecessary for more American GI's to be sent abroad.

Mr. PASSMAN. Mr. Chairman, I yield myself 1 minute.

Mr. Chairman, to allay any misunderstanding, and if we stay near homeplate and not get out into the outfield we might understand the bill better, we are providing ample funds according to the record. I think it is necessary occasion-

ally to indicate that we are providing ample funds in this bill to do everything that the agency wants to and for a period of about 2½ years.

Mr. CHELF. Mr. Chairman, will the gentleman yield?

Mr. PASSMAN. I yield to the gentleman from Kentucky.

Mr. CHELF. Is it true that there is \$6 billion now in the pipeline?

Mr. PASSMAN. \$6,195,000,000.

Mr. CHELF. Is it true that there was \$550 million unexpended which will have to be reappropriated?

Mr. PASSMAN. There is \$538,800,000 unobligated in the military assistance program, and \$229 million in the other programs.

Mr. CHELF. And there is an additional \$1 billion of counterpart funds available?

Mr. PASSMAN. Those funds are made available by another bill, and that is true, I understand.

Mr. CHELF. And is there not another \$1 billion also available that is surplus from the sale of agricultural commodities?

Mr. PASSMAN. That is in another bill.

Mr. CHELF. Public Law 430.

Mr. PASSMAN. That is my understanding.

Mr. CHELF. In other words, there is available for foreign aid, and military support in some form or another about \$8.5 billion to these 67 countries that are looking to us for support? This is true if we do not appropriate 1 dime more today.

Mr. PASSMAN. Yes.

Mr. Chairman, I yield 10 minutes to the gentleman from Indiana [Mr. DENTON].

Mr. DENTON. Mr. Chairman, I want to congratulate the chairman of this subcommittee, the gentleman from Louisiana, the Honorable OTTO PASSMAN, upon the manner in which he has conducted the hearing of this subcommittee dealing with the foreign-aid appropriation. I know it has been a difficult task for OTTO, since he has not been a supporter of the foreign-aid program. However, in the hearings, I think he was eminently fair, and he has worked untiringly to ascertain the facts in connection with this program, and as the result of his efforts I think this Congress will know a great deal more about the financial affairs of the International Cooperation Administration, which administers foreign-aid funds, than do some of the people connected with that agency.

I have always been a supported of the foreign-aid program. I voted for it this year. However, the testimony during these hearings before our committee has been very disillusioning to me. I have often wondered just what the long-range foreign-aid policy of the United States was. I think the attitude of this administration in regard to our foreign aid is summarized by a statement made by Secretary of State Dulles. When he appeared before our committee, I was questioning him about foreign loans and suggested that while these might have a temporary beneficial effect upon our foreign relations policy, that when the loans became due and the debtor nations were

unable to repay the soft loans, this might cause strained relations with the debtor nation and do nothing but defeat our purpose. In reply to that, Secretary Dulles said, "This will be the problem of some other Secretary of State, and not me." Is not that indicative of the present short-range foreign-aid policy of the United States?

Let me give you two examples of what I consider our shortsightedness. After the outbreak of the fighting in the Near East during the Suez Canal crisis, which might have been avoided but for the needless meddling of the Secretary in their affairs, the United States tried hastily to get control of the situation by cultivating the favor of King Saud of Arabia. He was invited to the United States and was entertained by our Government in a style never before shown a visiting monarch. He has an income from oil wells of over a million dollars a day. How much our Government pays him under the foreign-aid program, of course, is classified information. He has a huge fleet of jeweled Cadillacs, two dozen aid-conditioned palaces, and more than a thousand slave girls. On the other hand, his subjects live in abject poverty, filth, and disease, and King Saud spends more for palace furniture and chinaware than he does for public improvements and the welfare of his 7 million people. Will such elaborate gestures to such a man gain us any respect among the Arabs over whom he rules? While this might give us a temporary advantage in our dealings with the Near and Far East countries, are not we perpetuating a condition where the Communists have a fertile field for propaganda?

Then in the countries that formerly made up Indochina, Laos, Vietnam, and Cambodia, we are spending large sums of money to support their currency. In South Vietnam it is reported to be \$20 million a month and as I remember the testimony in the hearings on the authorization bill, someone stated we were spending \$400 million a year to support the currency in these countries, although this figure seems large to me. However, this money is not going to the people of the country for their benefit, but it injures to the benefit of the money speculators. Now, the American people have always been ready, on Christian and humane principles, to help others less fortunate than themselves. But today, we have a debt that exceeds that of all the other nations. We are one of the most heavily taxed nations and have a continually rising cost of living. We are asking our people to tighten belts in order to aid many nations which are unwilling to tax their own holders of large wealth. This policy we are asked to support might give us a temporary advantage, but what is going to be the long-range effect of it? This cannot be shrugged off with the statement that "someone else will be Secretary of State at that time."

I realize the foreign-aid expenditure program has potentialities of great benefit to this country and I am supporting the program with the hope that some of its defects may be corrected, and because it is one of the principal meth-

ods of this administration in dealing with foreign nations.

As usual, I have heard of the dire consequences that will befall this Nation if ICA is not given every penny it has requested. This is nothing new. I went on this committee 3 years ago and at the end of that first year we discovered this agency had \$620 million unexpended funds, and later, an additional \$268 million was found which they explained they did not know they had. In violation of an agreement with our committee, they reserved \$620 million on the last day of the fiscal year. Our committee cut their appropriation \$750 million, and there was the usual cry that the security of the United States was being imperilled, but when the agency came before our committee a year later, they had not been able to spend all of the money appropriated and had a surplus of \$200 million.

Last year we cut the budget request approximately \$1 billion and there was the same outcry about the security of the Nation but when the agency came before our committee this year, they had a surplus, not a deficit, of a little over \$760 million. We hear again this same complaint that if a penny is cut from the request of this agency dire consequences will result to the world. I wish someone would read the story to ICA of the boy who cried "wolf." I predict that this agency will be unable to spend the amount of money recommended by this subcommittee this year and that next year again they will demand the moon, and we will find they have not been able to spend all the money that was appropriated this year.

This committee has recommended more money in many categories than this agency will be permitted to spend under the directive issued by the Director of the Budget on June 28, 1957. On June 28, 1957, the Director issued a directive providing that the direct obligations should not rise above the level for the fiscal year 1957. In practically every instance, this committee has recommended an appropriation that goes beyond what the agency can spend. In this connection, let me call attention to a fallacy in the statement which has been reprinted in some of the newspapers over and over again. It is to the effect that Congress authorized this agency to spend only the sum of \$3.3 billion. This agency was authorized to spend the sum of \$3.3 billion and the unexpended sum it had, which would bring the amount to over \$4 billion.

Last year ICA spent only \$3.3 billion. If the Director's directive is followed, the appropriation would have to be over \$700 million below the authorization.

Last year the principal cuts made by this committee are in four categories:

First. For military assistance. This committee recommended that \$1,250,000,000 be spent for that purpose, in addition to a carryover of \$538,800,000 making a total of \$1,788,800,000 available for that purpose. Last year this agency obligated \$1,674,200,000. This means we have authorized or obligated \$114,600,000 more than can be obligated under the directive of the Budget Director.

Second. For defense support. Our committee has recommended \$585 million for this purpose, and that ICA be permitted to spend the unexpended balance in this fund of \$36 million. This makes a total amount available of \$621 million. You will remember that the House of Representatives in no uncertain terms limited the authorization for this purpose to \$600 million. We are now appropriating \$21 million more than that.

Third. The development loan fund. For this purpose, we are recommending \$300 million. We are authorizing the use of the unexpended balance in this fund of \$52 million for the development assistance. We were presented with a secret document showing the expenditures which were planned under the development loan program. They totaled in round number \$300 million. There was an additional \$700 million for potential improvements which had not been planned. We are authorizing more than the planned expenditures. Included in this \$300 million is \$65 million for public power. We deny expenditures for that purpose in this country, and I have a great deal of difficulty in supporting a program which authorizes money for public power in foreign nations when we deny that great program to our own people. This development loan program was thrown together hastily and was ill considered.

I know it will take money and foreign exchange to carry out these projects. I know most of them will require a great deal of local currency and local labor. The host nation should be able to bear part of the expense, and it probably could procure a loan from the Export-Import Bank or the World Bank and from private sources for some of these projects. For instance, if a dam is built on the Ganges River, some of the expenditures will be in local currency, some from foreign exchange. There is a billion dollars in counterpart funds in foreign countries. There is another billion, and the figure might be over \$2 billion before the end of the year, in 480 funds in foreign countries. In addition, the Export-Import Bank and the World Bank intend to make a loan of \$1 billion to foreign countries.

To properly consider the need for our Government to support these expenditures, we should know first what part of them is to be financed by the host country, what by 480 funds, what part by counterpart funds, and the part by loans. The International Cooperation Administration has given us none of this information. That is, of course, because this program was thrown together too hastily. It is clear to be seen that we are appropriating too large a sum for this purpose, but since this is a program very dear to the President, I have reluctantly gone along with his recommendation.

Fourth. The special assistance fund. This fund has been cut from \$250 million to \$175 million. This is because there is the sum of approximately \$93 million in the President's special fund for Asia which can be spent for this purpose. That fund was authorized approximately 3 years ago. Two hundred million

dollars was demanded and again we were told what the disastrous effects would be if this amount was not granted. Our committee granted the sum of \$100 million, and in the last 2 years less than \$7 million of that sum has been expended.

The General Accounting Office, the Government Operations Committee, the Appropriations Committee, and, I find, many members of the Foreign Affairs Committee have criticized this agency because of the way in which they have presented their budget and because of their lack of planning. It now has an unexpended balance or carryover of approximately \$6.2 billion. If the recommendations of this committee are upheld, this agency will have available a grand total of \$8,719,000,000. This is more than this agency could possibly spend in over 2 years.

I feel we can get more foreign aid for less money if there is efficient management within the International Cooperation Administration, but it is so much easier for it to come to Congress and cry "Wolf" than it is to practice economy. Make no mistake about it, this agency can operate efficiently within this appropriation, and a year from now I foresee it will come back asking for the moon again, and upon examination of the record you will find they have a large unobligated sum.

(Mr. DENTON asked and was given permission to revise and extend his remarks.)

Mr. TABER. Mr. Chairman, I yield 15 minutes to the gentleman from Michigan [Mr. FORD].

Mr. FORD. Mr. Chairman, I think it well as we go along in this debate, perhaps, to repeat what the factual situation is here in reference to the subcommittee, full committee recommendations and the proposals made by the President and the authorization bill. Let us take in the first instance the outright military assistance portion of this program. The President requested \$1,900,000,000. The conference report or authorization ended up with \$1,600,000,000. In the bill before us today, there is a total of \$1,250,-000,000 for the fiscal year 1958 or a reduction of \$350 million. This amounts to a cut of approximately 33 1/3 percent below that which the President felt was necessary for our own security.

In the case of defense support, the Presidential recommendation was \$900 million. The authorization bill was for \$750 million. This bill provides \$585 million plus the reappropriation of \$36 million or a cut of \$165 million—again a reduction of approximately 33 1/3 percent. We all know that outright military assistance, defense support, are directly related to the national security of the United States. In this area then, this bill provides a reduction of 33 1/3 percent in funds which are related to the security of our country.

If I might compare what the subcommittee recommends in what we call non-defense areas. Let me read off some of the programs that are in this category: Technical cooperation, United Nations, joint control areas, the technical co-operation program for the Organization of American States, the U. N. refugee program, the escapee program and the

like—in this area this bill does not reduce the presidential request one penny. I would like to repeat, if I might, what this bill does. Where the security of the United States is concerned in the military program, the reductions average about 33 1/3 percent. But in the so-called economic program—in the programs where you are helping with technical assistance and the like, this bill does not make one penny of reduction either below the presidential request or the authorization bill.

It is my honest opinion and judgment that we have made the reductions in the wrong areas. If we were to start anew, in my opinion, we ought to increase the funds related to our own security and reduce the funds in those other nonmilitary areas.

If you will turn to page 194 of the hearings, you will see a very, very desirable trend appropriationwise and expenditurewise that has taken place. In 1951, the appropriation for this program was \$7.4 billion. The presidential request this year for appropriations was \$3.9 billion plus the reappropriation of about \$500 million. Expenditurewise, if you will turn to the top of page 194, you will find in 1953 the expenditures were \$5.7 billion. In 1958, it is anticipated the expenditures will be about \$3.8 billion. So we are getting a better program and a more effective program with reduced appropriations and reduced expenditures.

I think it is well to see what our appropriation and expenditures in this program have done; what results we have got for the money made available.

If you will turn to page 311 of the hearings, you will find that the buildup in the military strength of our allies has been phenomenal—with their help to a major degree, and with our assistance, in part.

Let us take the statement made in the hearings:

However, as a result of this buildup to which we have made a significant contribution, their forces at the end of 1956 calendar year totaled 2,300 competent naval vessels, active ground forces of 4.8 million, and 12,000 conventional aircraft, with almost 11,000 jet aircraft. This is an increase in jet aircraft in the 7-year period of 1,125 percent.

Mr. Chairman, I think we have gotten our dollar's worth out of the assistance we have made available to those who were joined with us in this battle against communism.

It has been stated earlier that it cost the United States about \$7,000 per man per year in the Army. Actually, it costs on an average over \$7,000, particularly if you isolate the men who serve overseas. The \$7,000 figure includes everybody—those serving in the United States and those serving overseas, but if you limit it to the men serving overseas the figure would be substantially higher per man per year.

Let us take as an example some of these countries that we are aiding and assisting through direct military assistance and defense support. First, Pakistan. The cost per man per year here in the fight against communism is \$485. Relate that, if you will, to a cost of

something like \$7,000 per man per year for an American soldier doing the same job. Turkey, the cost is \$105 per man per year. Relate that to the cost of an American soldier at \$7,000 per man per year.

It seems to me that dollarwise it is helpful and beneficial to us as citizens and taxpayers to aid and assist those who are willing to have their youth serve with us in guarding the periphery of the free world. If you do not do this it will cost the Federal Treasury far more money to have American boys serve in those outposts. If you do not do this it will cost you infinitely more dollars as far as the Federal Treasury is concerned.

The distinguished gentleman from Louisiana [Mr. PASSMAN] has made the point, and he said categorically that most of the items involved in the Mutual Assistance had a lead time of 90 days. I respectfully disagree with the gentleman's statement. In the budget presentation on military assistance they asked for \$900 million, plus \$980 million, plus \$345 million for administrative costs, facilities and assistants, and \$175 million in a new military procurement loan program.

The distinguished gentleman from Louisiana was in error when he said most of those lead time items are 90 days. In actuality in the main they are anywhere from a year to 3 years. Let us take several items that are included in this amount that I just mentioned. There are about 500 new and modern aircraft involved. The aircraft lead time in these items is 18 to 30 months. The cost of these items is something like \$270 million.

Let us take medium tanks. The lead time is 8 to 12 months. There are close to 400-odd medium tanks involved in the amount requested in the military assistance program.

Guided missiles, about a year's lead time at a cost of \$140 million.

Mr. JUDD. Mr. Chairman, will the gentleman yield?

Mr. FORD. I yield.

Mr. JUDD. I presume that when the gentleman from Louisiana said it took MSA only 90 days or something like that to get the military items it needs from our Defense Department stocks, he was assuming that the Pentagon would have on hand and could spare the items available for MSA. But if it did not have such items of equipment available for the military assistance program, the longer lead time would be required as the gentleman from Michigan mentioned.

Mr. PASSMAN. Mr. Chairman, will the gentleman yield? My name was mentioned.

Mr. FORD. Let me make one statement. In the case of those articles where there was obsolescence there is no lead time involved. In these days when they in this program are obtaining important new and different equipment the lead time is practically the same as our own.

I now yield to the gentleman from Louisiana.

Mr. PASSMAN. Assuming that this is all for new, modern equipment 2 years' lead time would be required. But I say

we find they have 77 percent of this materiel, and they do have it; but let us assume they do not have any of it, let us say the lead time is 2 years, then sanction for it has to be put in the record.

They say they are going to spend \$2,200,000,000. We have money in this bill to carry them for 2 years, 6 months, and 8 days. So let us not leave the membership under the impression that we are not providing the money needed, because that is not the fact.

Mr. FORD. Let me point out to the distinguished gentleman from Louisiana that this so-called unexpended money to which he refers is not just free and loose over there in the banks. It is an obligation against a specific contract, a contract with a supplier, or a contract with the Department of Defense that in turn goes out and makes a contract on a supply item.

Mr. PASSMAN. That is correct. Will the gentleman yield now?

Mr. FORD. Just a minute. In this program here we are buying relatively little if any obsolescent equipment and no obsolete equipment; we are buying new equipment; and, as a result, the lead time in this bill is approximately the same as our own lead time in our own program.

Mr. PASSMAN. I do not like to use the time of the gentleman, but let us be sure that we understand this matter. We are granting new funds in the bill of \$788,800,000 to permit them to carry over the obligations referred to in the matter of \$7,023,000,000; so the military program will have \$5,512,000,000 to spend. That is the amount of money we are recommending, and this is sufficient for 2½ years' supply.

Mr. FORD. Yes, that is true against contracts for the delivery of hardware which is essential for the joint defense of our country and those of our allies.

Mr. PASSMAN. Correct. That will give them 2½ years.

Mr. FORD. I refuse to yield further, Mr. Chairman.

Mr. PASSMAN. Mr. Chairman, will the gentleman yield?

Mr. FORD. I yield.

Mr. PASSMAN. We do not propose to take it away.

Mr. FORD. This is my time; I would like to yield it as I wish.

Mr. FULTON. Mr. Chairman, will the gentleman yield?

Mr. FORD. I yield to the gentleman from Pennsylvania.

Mr. FULTON. As a practical matter, if we would take away the money from the Allied military forces, we would not want to break down what we have already built up. It would be necessary to take the proposed \$600 million military reduction from some place. The funds would have to come from the new weapons programs that are now planned, the very modern items we want our allies to have. If Congress takes \$600 million out of the \$900 million for new and modern equipment, that is a two-thirds cut.

The CHAIRMAN. The time of the gentleman from Michigan has expired.

Mr. TABER. Mr. Chairman, I yield the gentleman 1 additional minute.

Mr. FORD. Mr. Chairman, may I conclude by repeating something which

I said earlier and that I believe is the crux of the whole problem today. The subcommittee recommended reductions of one-third in the budget estimate in the area of military assistance and defense support, which is the area directly related to the defense of America. The subcommittee is submitting to you today a bill with no reduction in about nine programs that have no relationship, not one penny of relationship, to the defense of America. So I say that the committee's approach, policywise, in this matter is wrong and I personally hope and trust that the House will reverse the committee by adopting the several amendments which will be offered to remedy certain defects that now exist.

Mr. O'HARA of Illinois. Mr. Chairman, will the gentleman yield for a clarifying question?

Mr. FORD. I yield to the gentleman from Illinois.

Mr. O'HARA of Illinois. Does the gentleman include, in the nine programs that he refers to, the United Nations Children's Fund?

Mr. FORD. Yes, I do; although in the past I have supported that program. I do now, but if I have to make a choice I will choose the funds for our national security.

Mr. O'HARA of Illinois. Then, of course, I cannot agree with the distinguished gentleman from Michigan.

The CHAIRMAN. The time of the gentleman from Michigan has expired.

Mr. PASSMAN. Mr. Chairman, I yield 10 minutes to the distinguished gentleman from North Carolina [Mr. ALEXANDER].

(Mr. ALEXANDER and Mr. PASSMAN asked and were given permission to revise and extend their remarks.)

Mr. ALEXANDER. Mr. Chairman, I rise in opposition to the appropriation for foreign aid as embodied in H. R. 9302.

For several months now I have had this appropriation under serious study and consideration as a member of the Subcommittee on Foreign Operations of the House Appropriations Committee.

I want to compliment our distinguished chairman and all the members of the subcommittee for conscientiously working hard on a most difficult bill. I have never had the pleasure of working with a more devoted group of men.

We have had many witnesses appear before our committee and stress in general terms the need for more and more money. Their justification has practically in all cases been illustrative of what the money might be used for and many times indefinite even as to where it might be spent. I feel strongly that the reins should be tightened and that appropriations should be made only where clear justifications are made so that the Appropriations Committee and the Members of Congress may know exactly what they are doing.

I have attempted to keep an open mind on the bill we now have under consideration.

I well realize the serious condition in which the free world finds itself at the present time and the part the United States must play in holding back the threatening forces of international communism.

I have listened to all the witnesses that have appeared before our subcommittee and I have studied and restudied all of the testimony that has been offered in favor of this appropriation. In addition, I have made independent research on the subject and have examined very carefully our past record in connection with our foreign assistance program.

Mr. Chairman, after considered study of all facets of this question, I must say that I am still opposed to foreign aid in principle and practice.

I have not been convinced that the tremendous sums of money we have been appropriating, year after year, have been effective in achieving the aims we have been led to believe were vital to the defense of this Nation and the free world.

Mr. Chairman, we are requested in this appropriation to make available to some 66 nations the staggering sum of more than 3 billion dollars. We are asked to appropriate this tremendous sum notwithstanding the fact that our national debt stands today at the inconceivable figure of \$276 billion.

Mr. Chairman, our debt is \$24 billion more than the combined national debt of the other 84 states recognized on this globe as sovereign nations. Yet, year after year, we are told that we must appropriate more and more money to solve the financial problems of the rest of the world.

Mr. Chairman, I am not unmindful of the magnificent part many of our friends overseas are playing in the common fight for survival in a world living constantly in the shadow of unholy communism.

I commend every nation that stands to the defense of its liberties and I am willing to help maintain their freedom within the bounds of reason and common sense, but I do not believe the answer to the problem facing the United States and the free world lies in the continued flow of American dollars to the four corners of the earth.

No one will deny the fact that we are caught up in a vicious inflationary spiral here at home. Our people witness a continuing rise in the cost of living and more and more the hand of the taxing power dips into their pockets.

It is high time that the United States face up to the fact that we are in debt and a victim of runaway inflation. The time has arrived when we must face up to the realities of our financial condition and admit that we cannot, as much as we might like to, continue to play Santa Claus to the rest of the world.

Unless our friends overseas have a will to help themselves, no amount of American aid will ever guarantee their freedom, nor will our dollars buy friends and influence people. In fact, our generosity has contributed in a large measure to the current wave of anti-American feeling that now sweeps the world.

American dollars have become so common that they have lost their magic.

It appears to me that some of our friends feel they should receive economic aid as a matter of right.

Mr. Chairman, the money we have appropriated for foreign aid has been used to accomplish many things overseas. We have spent our money on

everything from hydroelectric power to sending a jazz band on an 8-week tour through Africa.

Mr. Chairman, one of the tragic things we have done with our dollars abroad is to create an industrial capacity in direct competition with American industry. We have seen the once vigorous American textile industry fall a victim to this unwise policy. The tax dollars wrung from the American textile manufacturers and the public in general have been sent abroad in the form of economic aid to construct textile plants which have flooded the American market with cheap cotton and woolen goods in direct competition with American products. As a result of new textile mills constructed throughout the world, but primarily in India, Japan, and England, our domestic textile industry has been forced to the wall.

The same vicious cycle has worked to the disadvantage of American agriculture and numerous other industries. A large proportion of which are vital to the national security of the United States.

The time certainly has arrived when we should survey the damage that has been done to American industry by our frantic efforts to remake the world in the image of the United States.

Mr. Chairman, there is another phase to the appropriation we now have under debate that has caused me considerable alarm. I refer to the nearly unlimited grant of authority we are extending to the President of the United States in the spending of foreign-aid dollars. We are saying to the executive arm of this Government, "Here is a blank check for \$3,200,000,000—do as you please with it."

It is hard enough for us to maintain a semblance of economic responsibility here at home among the executive departments, and I submit that it is impossible to engage in vast giveaway programs, year after year, and have a clear understanding of where and for what our dollars were spent.

The Congress must cease its dangerous policy of relinquishing its constitutional powers to the executive. Such a practice was not contemplated in the Constitution, and its continued use can result only in chaos and misunderstanding.

We are told that we must not expect the recipients of our tax dollars to follow our lead in the field of international relations. In fact, they need not be democratic governments at all. Communist Yugoslavia and Poland can adhere to the collectivist principle of government and yet share in our bounty. Our timid approach to our allies can only cause them to lose respect for the United States and the objectives we are desperately striving to reach.

Mr. Chairman, the foreign policy of the United States has been based too long on the premise that we can buy friendship and international security with our dollars.

We have adhered to this false doctrine for so long that it has come to be considered by many in our Government as the only way we can conduct our foreign affairs. Such a policy is dangerous and ineffective. It submits the United

States to international blackmail and the contempt of friend and foe alike.

We need a firm reappraisal of our whole foreign policy, with a view to substituting commonsense and a recognition of the realities of the times for American dollars.

I know there are many people in this Government who wish to make foreign aid a permanent part of our political and economic structure. In their desire to raise the standard of living of the underprivileged peoples of the world their ultimate result can be only the destruction of the economic health of the United States and disaster to our own standard of living.

We must maintain, at all cost, the economic stability of the United States. Only through our Nation can the free world hope to withstand the constant pressure of international communism. A bankrupt United States cannot long survive, and should we be so unfortunate as to see economic collapse in this country, the specter of communism would soon haunt us.

Mr. TABER. Mr. Chairman, I yield 14 minutes to the gentleman from Maryland [Mr. MILLER].

(Mr. MILLER of Maryland asked and was given permission to revise and extend his remarks.)

Mr. MILLER of Maryland. Mr. Chairman, it is not my habit to appear in the well of the House to urge increased Federal spending, but I am seriously disturbed at the cuts that have been made by this very fine committee on 3 or more vital items. The first one has been discussed somewhat by my leader, the gentleman from New York [Mr. TABER]; and as to that an amendment will be offered. I think we should bear in mind the fact that our President, our Commander in Chief, the man whose integrity and knowledge and experience and character are recognized across party lines—and he is our Commander in Chief—has asked for \$650 million more than appears in this bill and \$350 million more than was authorized just the other day by this House. That money, in my opinion, is of the most vital importance to our defense and welfare.

Some people oppose this bill because, as they put it, it is a give-away. They say it is in the interest of other people and not of our own. Of course, if that is the fact—and I respect their convictions although I do not respect their judgment, because I think this is a most important feature of our national defense—if those people regard this as a give-away, then there should be no money in this bill; there should not be a bill at all. There are other people who recognize the great danger in the world today which we are facing, the cold war which in some ways, perhaps, is more dangerous to our ultimate security, freedom, and welfare than some shooting wars have been. Those people oppose the bill because they think that we should retire behind the seas to Fortress America and not spend money in supporting our allies abroad. If their judgment is right, and I do not question their motives but I do question the

soundness of their views, because they are contrary to the thinking of all of our greatest military leaders and most of our political leaders on both sides of the political aisle, they should first insist that we bring back the thousands and thousands of young Americans and older Americans and their families and dependents that are scattered around the four corners of the world on what we are now committed to as the defense line of America in this cold war.

I do not pose, heaven knows, as a military expert, although I have had the privilege or the misfortune, as you choose to call it, to have been shot at in a couple of wars and to have served on various fronts in three continents. Nevertheless, the principle is a simple one and can be understood by anyone. We have two main defenses that are interdependent for our Nation that are equally important, massive retaliation with which we can deter aggression by making war unsafe and undesirable to any foe, and to make that work we also must have the shield, the deployed line through which the enemy cannot nibble away, cannot encroach without starting a war. One of our great dangers is that without this deployed line we lack bases and protection for retaliatory forces. A police force might have all the gas bombs and everything else at headquarters, and all its reserves, but if it does not have policemen on the street it cannot maintain order in a town or prevent a riot and we certainly cannot maintain order in the world if the Communist forces could penetrate or freely infiltrate across the borders of the free world.

So if we must keep this line, if we must keep our people at the front, it seems to me it is incumbent upon us to see that we are not doing too little and too late. That is a phrase that has not been in the public thought lately but it has a deep significance to many of us that remember the days when we had to drill with broomsticks.

The funds in this bill that have been cut, as the gentleman from Michigan [Mr. FORD] has pointed out, are taken away from some of the most important features of our overall defense program. How else could we reduce our standing forces, how else could we afford to reduce Defense Department expenses, if we are going to take away from our allies in the field the things that make our reductions possible?

The record is clear that the dollars we have spent in this military assistance program are perhaps the most economical dollars which the taxpayers spend. In NATO for every dollar we have spent our NATO allies spend \$6.35. Without the dollar that we spend they would not be able to have modern weapons, they would not have what they need and what they must have. As to the dollars in the relatively hard-up areas of the Middle East, Turkey, Pakistan, Greece, Iran, and the like, they spend \$2.30 for every dollar that we contribute to their defense forces, and they are most vital if we are to hold the line.

As was pointed out by the gentleman from New Jersey [Mr. CANFIELD], we can keep a Turkish soldier at the front

guarding the Bosphorus and the cost of keeping him there is \$105 compared with some \$6,000 to put an American there. One can argue that the American is more modernly equipped, better trained, and perhaps a better fighting man, though the Turks are pretty good fighters, but I can assure you there are a lot of places where it is better to have 60 Turks than 1 American, no matter how good a fighter he might be.

So this is a program that we must maintain.

There has been talk in our committee that the money would not be spent even if it were appropriated, and there has been much misunderstanding and confusion about the letter Mr. Brundage wrote on June 28. I should like to read to the committee the statement made by Secretary Dulles only a month ago, on July 17, before the Senate Appropriations Committee. I think that will clear up the point once and for all, or it should, about Mr. Brundage's letter. The Secretary testified as follows:

As I understand, Mr. Brundage's letter of June 28 was drafted so that it would apply in broad general terms to all departments and agencies. It expressed the President's desire that the executive branch make an effort to keep expenditures in fiscal year 1958 from rising above the fiscal year 1957 level, to the extent that this was feasible. It did not reflect the individual differences which exist among various programs and agencies.

I cannot speak to the budgets of other agencies, but I can say that it is my intention and that of the President to carry out in fiscal year 1958 a mutual-security program substantially along the lines and in the amounts outlined by the President in his message to the Congress of May 21, subject to the appropriations approved by the Congress.

I believed when that message was submitted, as I believe today, that a program of this nature is necessary to maintain our vital foreign policy interests.

Now, then, the Secretary went on to testify that Mr. Brundage and he agreed with that statement. So how can we dodge this issue by saying it is not necessary to put this money into the program because it will not be used when our Commander in Chief has said he needs more than we have even authorized.

There is another point. It is generally conceded, and certainly the testimony before our subcommittee has indicated that we are winning this cold war. We have made the Kremlin uncertain in its moves. We have demoralized their concept of how they can win. Many a great victory has been a defeat in the end because it was not properly exploited. Why, when this program is working, why at the time it is beginning to make such real strides, should we cut the heart out of it by taking money away from the military assistance and defense support, the programs that are most vital. I respectfully urge it would be false economy and weakened security to cut this fund as it has been cut by our very fine committee in respect to those items that go directly to military defense.

Mr. FULTON. Mr. Chairman, will the gentleman yield? I would like to com-

pliment the gentleman on his good statement. It is forceful and effective.

Mr. MILLER of Maryland. I thank the gentleman.

Mr. TABER. Mr. Chairman, I yield 5 minutes to the gentleman from Iowa [Mr. CUNNINGHAM].

Mr. CUNNINGHAM of Iowa. Mr. Chairman, I favor the restoration of the cuts, as requested by the President. I would like to visit with you for just a moment. I believe it was Will Rogers who once was quoted as having said, "The United States never lost a war and never won a peace." That bothered me until I became a Member of this honorable body. I was concerned as to just what he meant. After being sworn into this body in 1941, the first record vote that I was called upon to make was on the original lend-lease bill of \$7 billion requested by President Roosevelt. I voted for that bill. I did not have much company from my part of the country. That was in 1941. In December of that same year, however, we had Pearl Harbor. Then, what did I see? Practically everyone who had opposed that bill would walk right up and vote without question and without rollcalls for unlimited amounts and for extension of lend-lease time and again regardless of the amount. Why? Because we were in war. Then I commenced to understand what Will Rogers meant. We are a great country. We will go all out and think nothing of expense when we are threatened or when we are attacked. Then we retrench and go the other way when we should not retrench. I got to checking on what had happened after other wars and again I began to understand what Will Rogers meant. Today, in this body we hear the same kind of arguments and the same philosophy against President Eisenhower's request that we heard in 1941. There is no difference. They argued then about amount. It was not whether or not there should be lend-lease. The question was whether it should be \$2 billion or \$3 billion or \$5 billion or \$7 billion. Very few fought against what the President wanted but opposed the amount.

Now we understand why we never lost a war and never won a peace. Here we are today. Who is better qualified to determine what is necessary in this case than the President of the United States, who is the Commander in Chief of the Armed Forces of the United States, who is head of the Executive Department that fixes the foreign policy of the United States, subject to the approval of the Senate? Who am I to put my judgment as to the amount up against the judgment of the President of the United States with the facilities that he has at his command?

I do not believe in measuring lives in dollars. I did not believe that in 1941 and I have not believed it since I came to this body, and I do not believe in it today.

I would like to give you a little example of what mutual security does as an economic measure for the United States. For 5 or 6 years I have been a member of the subcommittee of the Committee on Armed Services, which passes on the acquisition of all sites in foreign countries,

such as airfields, installations, housing, and so forth. As a member of that committee, I have seen what the expenditure of mutual security money means to the Defense Department.

A few years ago we were requested to authorize the building of a pipeline across a country in Europe, at a cost of a number of millions of dollars. However, once it was built it made a saving. We had to approve the getting of the right of way. It did not cost us a cent. The country across which this pipeline was to be built was willing to furnish the right-of-way and did furnish it, because that country was a participant in this mutual security program.

I can cite any number of instances where we have saved money to the Defense Department of the United States in acquiring installations and property abroad, simply because we have been aiding those countries in another way.

There are those who oppose this because they find some particular case in connection with mutual security where there has been waste or where the money has not been properly used. That takes me back to the early thirties, when I was in the State legislature. We had the relief administrator for Iowa called before the State general assembly. He was put on the grid for the manner in which he was doling out relief. I remember this one criticism in particular. He was giving relief to the family of a husband, a wife, and nine children. He was criticized because the husband was a drunk and did not work. I remember his reply. He said: "Would you permit a mother and nine children to starve because the husband was no good?"

Are we going to risk the security of America and the lives of our future generations and children and soldiers by objecting to something simply because we do not like some little part of it?

In closing I would like to make this illustration. Stephen Decatur, I think it was, once said: "My country, may it always be in the right; but my country, right or wrong." About the foreign policy of the United States I think the same. "Our foreign policy, may it always be the right foreign policy; but our foreign policy, right or wrong."

Think what would happen to the prestige of America abroad if the request of the President of the United States is turned down in this Chamber today. What will it cost us indirectly that we are overlooking in this debate? What is more detrimental to any country, particularly our own, than to have two foreign policies? Here is the President, with the aid of the Secretary of State and the Senate, having set the foreign policy, including mutual security aid. Are we going to set up a different foreign policy in this body and show the world that we are not in agreement, simply because we are at peace and we can argue among ourselves? We would not be arguing for a minute if there were a threat of war close at hand.

Mr. GROSS. Mr. Chairman, will the gentleman yield?

Mr. CUNNINGHAM of Iowa. I yield.

Mr. GROSS. Is the gentleman asking what foreigners would think if these cuts are not restored?

Mr. CUNNINGHAM of Iowa. No. I am not asking the gentleman. I think he knows, because he is well informed on everything.

Mr. GROSS. I just wanted to answer the gentleman by saying that most foreigners would give us credit for some kind of return to financial sanity.

Mr. CUNNINGHAM of Iowa. Probably so.

Mr. MORANO. Mr. Chairman, will the gentleman yield?

Mr. CUNNINGHAM of Iowa. I yield.

Mr. MORANO. I think the distinguished gentleman has made a forceful statement. He has stated in simple terms what the issue here is today, and I compliment him.

Mr. CUNNINGHAM of Iowa. I thank the gentleman.

Mr. FULTON. Mr. Chairman, will the gentleman yield?

Mr. CUNNINGHAM of Iowa. I yield to the gentleman from Pennsylvania.

Mr. FULTON. I think in line with what the gentleman has said, it should be brought out that the system of foreign bases we in the United States have, numbering over 250, permit us to hit any possible enemy in half the time, half the distance, and at half the expense that they could hit us. The gentleman from Iowa is to be complimented for his excellent statement.

Mr. SCHWENGEL. Will the gentleman yield?

Mr. CUNNINGHAM of Iowa. I yield.

Mr. SCHWENGEL. Mr. Chairman, I want to rise to compliment my colleague from Iowa and say that I am glad to associate myself with his remark. It is my opinion that the gentleman has given us much food for thought and I hope that all will pause to give serious thought to his observations.

Mr. CUNNINGHAM of Iowa. I thank the gentleman.

The CHAIRMAN. The time of the gentleman from Iowa has expired.

(Mr. CUNNINGHAM asked and was given permission to revise and extend his remarks.)

Mr. PASSMAN. Mr. Chairman, I yield 10 minutes to the gentleman from Georgia [Mr. LANHAM].

(Mr. LANHAM asked and was given permission to revise and extend his remarks.)

Mr. LANHAM. Mr. Chairman, our subcommittee met last night until 7:30. We went before the full committee this morning, and we adjourned just a few minutes before the House met, so I have not had time to prepare a manuscript, but I am going to talk to you briefly about this appropriation bill.

In the first place, I want to say that I am behind the committee 100 percent.

An attack was made in the full committee this morning and a charge was made against members of the subcommittee, that we did not approve of the philosophy of foreign aid. "Philosophy" is a big word; but I will say that it was not true as far as I am concerned, because I believe in foreign aid and have supported it since the days of the Marshall plan, which was when I first came to Congress. I believe in it; I try to sell it to my people back home, but it is mighty difficult to sell it to the people

when it goes on from year to year and they know there is so much waste and extravagance in it.

But I know we must continue the program; I know we must maintain these bases around the world. I know we must help those people where we have our bases, that we must help them support their military establishments and, unlike Mr. Dulles, who recently said we did not need friends and were not trying to get friends, I think we need friends; I think we ought to have friends around the world. That is one reason I am in favor of continuing it.

But we cannot buy friends, of course, and that it is not what we are trying to do. Had Mr. Dulles said that, his statement would not have been so damaging to our friends; and we do have some in spite of the way he has messed up our foreign policy and our foreign affairs throughout the world; we do have some friends left, and we want to keep them. At the same time, however, the people at home are getting fed up with this program. They are demanding that we hold it to the very lowest level consistent with America's security. We are in the beginning of a "rolling readjustment" as Mr. Martin of the Federal Reserve has said. These are merely milder words for a recession. We must hold spending to the very minimum.

Since I have been a member of the subcommittee that works on this appropriation bill it has been my constant effort, and the committee's effort, to hold these appropriations to the very minimum consistent with our security. I know it is necessary as a part of our national security, but we do not have to give them everything they ask for.

We have shown that the people running this program do not need much of the money they ask for. Actually, some of the folks down in the military division sought to mislead this committee 2 years ago, and deliberately did so. We made them admit it. They took an agreement that had been entered into with the committee, took it back and had a smart lawyer redraw it and bring it back and then claim it was a memorandum of what the committee had said and not an agreement between the committee and the people downtown who administer this program. As a matter of fact, they had agreed not to obligate some \$400 million. They violated the agreement and obligated this money on the last day of the fiscal year.

You have heard some figures today that bear the same stamp. I am not charging the people who brought them here to you as having anything to do with making up the figures they brought to you, but they are not the correct figures. It is the same group downtown that misled this committee before and enabled us to save this country \$400 million, because we convinced the other body that they had misled our committee and they went along with our cut of the same amount from the subsequent year's appropriation.

It is said "figures do not lie, but you had better watch the ones who figure." Why, Mr. Chairman, it is the same people trying to confuse you today. I must pay tribute to the gentleman from

Louisiana. I have never seen a man who worked as hard or who accomplished as much or who brought to light as many facts as he has dug out from these reluctant witnesses in trying to get at the facts as to the amounts of money that have carried over and in the pipelines and to show what they actually need. He has done a remarkable job. He has been abused for it. He has lost sleep at night, but I pay tribute to him. I understand that after he appeared at the White House with the group the other night many of the Members of the other body who were there called to compliment him on his knowledge of the facts he brought out at that meeting, facts that the President did not know anything about and that the Members of the other body had not heard anything about. I am sure this committee today, this House, is going to follow his leadership.

Mr. BOYLE. Mr. Chairman, will the gentleman yield?

Mr. LANHAM. I yield to the gentleman from Illinois.

Mr. BOYLE. As the gentleman knows, I am a new member of the Committee on Appropriations. Will the gentleman tell the House on this occasion that there is in the pipeline sufficient money, enough to accommodate a similar program for 2 years, 6 months, and 5 days?

Mr. LANHAM. That is exactly true. Not only that, but there is more money in this bill for new obligations than they obligated last year.

Mr. Brundage sent a copy of a letter saying that everything had to be cut back to 1957 obligations to the head of the ICA, Mr. Hollister. Now they try to hedge. Now they go to the Senate and say, "Well, we did not mean that."

Mr. Chairman, you cannot tell these days what the President means. He talks out of one side of his mouth one day and out of the other the next. No doubt, that letter was sent by Mr. Brundage to the head of the organization that administers this program with the President's knowledge, and we are just plain stupid if we give these folks more money than he is going to let them obligate. That is the position this House is in today.

Mr. Chairman, he treats us like schoolchildren and says if we do not do exactly like he wants, he is going to keep us in after school. He acts like a spoiled child. I know you are not proud of his conduct. He has vacillated, he has been so wishy-washy that nobody knows where he stands. Tomorrow he may be willing to cut this appropriation in half.

Mr. JUDD. Mr. Chairman, will the gentleman yield?

Mr. LANHAM. I yield to the gentleman from Minnesota.

Mr. JUDD. Has not the gentleman seen pages of criticism of the President claiming that he does not fight for his program? Then when he fights for his program he gets criticized, as just now, for allegedly threatening or treating like children, those who oppose him. What would the gentleman suggest that he should do?

Mr. LANHAM. I would suggest he make up his mind and stick to it, as old Harry Truman did.

Mr. JUDD. Has he ever shown any indecision on this issue?

Mr. LANHAM. Oh, yes. At times he has said we could cut the budget which he sent here, then he said we could not.

Later he ordered his own people to cut it. He has sent out word that the executive departments including ICA cannot obligate any more than they obligated in 1957. Are you going to give him more money and let him make monkeys out of us? I am not.

Mr. BOYLE. Is it the gentleman's opinion that the President of the United States would not have this chore on his hands today if he had defended his budget forthrightly when George Humphrey attacked it so viciously at the time it was originally submitted?

Mr. LANHAM. I agree with the gentleman.

Mr. BOYLE. Probably one of the most important pieces of legislation to be resolved in this first session of the 85th Congress is the Mutual Assistance Act. The security of the United States should not rest on partisan politics.

The Foreign Assistance Act of 1948 was enacted into law on March 31, 1948. Through the years, referred to and styled the Marshall plan it has demonstrated its effectiveness and vindicated the faith that led to its enactment.

Personally I would like to see the mutual aid program, as it refers to economic education and cultural activities separated from pure military activities.

Economic assistance increased educational help and stepped up multilateral cultural activities are no mere gestures of relief. Neither do these activities of themselves serve to perpetuate dictators in unilateral control of subject people in utter disregard of people's aspirations and dreams of freedom and independence.

History demonstrates the futility of evangelizing with the sworn. The word "program" signifying some permanence and justifies a longer and more ambitious aim.

It is the essence of such a program that it involves of mutual help and assistance looking to a predetermined mutually helpful and good end.

Mr. LANHAM. Now, Mr. Chairman, let me talk about the development program. I am going along with you on that. I have always supported foreign aid, and as I say, I think it is necessary. So I am going along with you on this development program. But I have my doubts about these soft loans. The head of one of the President's committees that made investigations of this foreign-aid program, Ben Fairless, one of the great men of America, said he did not believe in soft loans. He said that it is better to give it to them as aid and acknowledge that it is aid than to pretend that they are going to repay it.

When it is repaid, it is going to be repaid in these foreign currencies, and they already have \$2 billion of foreign currencies and \$1 billion of counterpart funds that they can use in addition to

all of this money that will be put in this bill. But I am willing to let it be tried.

I hope you will support the committee on this appropriation bill. It is ample for the needs of the foreign-aid program.

Mr. TABER. Mr. Chairman, I yield 5 minutes to the gentleman from Pennsylvania [Mr. FLOOD].

Mr. FULTON. Mr. Chairman, I make the point of order that a quorum is not present.

The CHAIRMAN. The Chair will count. [After counting.] One hundred and two Members are present, a quorum.

Mr. FLOOD. Mr. Chairman, Mr. Tunney was not the only fellow that had a problem, I see.

Now, Mr. Chairman, I want to say this: No significance attaches to the fact that I was yielded time by the gentleman from New York [Mr. TABER], because my friend, the gentleman from Louisiana, has a large subcommittee, and they have a right to speak as he calls for them.

But, let me make this clear. All through the full Committee on Appropriations meeting this morning, all through this debate today, I find nothing but a welter and a labyrinth of figures. There is diametric opposition on figures on all sections of this bill from both sides and within the subcommittee itself. I make no comment upon who is right or who is wrong.

But, I remember years ago a famous play on Broadway called Margin For Error, and the philosophy for that play dealt with the kind of problem at which this bill from its inception was meant to strike. So, my friends, when you are dealing today with a confusion of figures, dealing with national and world welfare, I submit that this problem goes far beyond that of mere certified public accountants. It goes beyond the value of chief clerks, actuarial funds, and the General Accounting Office. This is not to be an exercise in semantics or the techniques of mathematics.

Many of you, with me, for years have supported the political philosophy, the purpose, and the intent, of mutual security. This bill is misnamed when it is called foreign aid. This is American aid, not foreign aid, and they who have been the beneficiaries of our aid in the military area have established that. I have listened to these debates for a dozen years. I cast no reflection upon anyone's sincerity and integrity but I submit, Mr. Chairman, for those who are opposed to this bill, for those who want to support the cut as it has been made, I deny to the subcommittee any priority to or any monopoly on honesty or integrity or defense of principle or belief in a law and its purpose.

I do not believe that the President of the United States, regardless of who he is or what party he represents; I do not believe his Cabinet; I do not believe that all of the bureaucrats in or out of uniform, would send to this Congress legislation so fundamental, that would be wrong, in error, misjudged and bad, deliberately or otherwise, if you will, by almost 33 1/3 percent. The original request came in of some \$4 billion. Re-examination resulted in a figure of \$3.8

billion. This Congress cut that request \$500 million. That was not casual. You say that the great Committee on Foreign Affairs of the House and the Committee on Foreign Relations of the Senate did not give attention of integrity and examination the equal of my friends on my own committee? I say they did with integrity and with sincerity and with work just as hard.

Mr. Chairman, I love my friend from Louisiana. I admire and respect him. But this is not a popularity contest. I will vote for the gentleman from Louisiana for anything, but you are not voting for my friend from Louisiana. You are voting for great legislation; you are voting for great good. Am I to balance and juggle figures by the half millions when the committee itself has trouble with the figures? The gentleman from New York, [Mr. TABER], an expert in the business, is the proponent for a set of figures upon which he stands. He is a man of experience.

Mr. Chairman, I submit to you that this is a bill for the national security and I shall support amendments to restore the authorizations approved by the House.

Mr. TABER. Mr. Chairman, I yield the remainder of the time on this side to the gentleman from Massachusetts [Mr. MARTIN].

(Mr. MARTIN asked and was given permission to revise and extend his remarks.)

Mr. MARTIN. Mr. Chairman, this is probably one of the most important pieces of legislation that will be before us this year.

This is not a partisan question that we are considering today. This program was initiated in the first instance in the administration of Harry Truman and it has been continued in the administration of Dwight Eisenhower.

What we are going to determine today is not whether to save a few dollars. You can save money and at the same time lose security. The few dollars that you might save might be the cause of war and tremendous appropriations which would follow. We cannot look at this as just an economy measure. We have got to look upon it squarely as legislation for the defense of our country. For that purpose I rise to support the bill and the amendments which will be offered by the gentleman from New York [Mr. TABER] to restore some of these cuts. No one can doubt the enthusiasm of the gentleman from New York [Mr. TABER] for economy. He stands before us as a man who is noted for his "pinching of pennies" as far as the Government expenses are concerned. Yet in the hour of need, when the security of his country and the free world is at stake, he favors the spending of money which will keep us out of war and with effective allies if war should come.

Do we want to send more American boys abroad, or would we, as the gentleman from Michigan [Mr. FORD] well said, rather spend the \$105 for a Turkish soldier so that he can take the place of that American boy as a sentinel?

This is a serious problem before us today. It is one far beyond the saving

of money. The people want peace. The American people know if we are to have peace this whole free world must be strong, not just the people of America.

One more thought. There are two men who are entrusted with the security of this country. One is the President of the United States, the other is the Chairman of the Joint Chiefs of Staff, Admiral Radford. These two men know not only the value of our own forces in the free world but that the opponent who stands hungrily back of the Iron Curtain ready to march if the opportunity presents itself. These two men whom we rely upon for expert judgment say they cannot maintain America's standing and the strength of the world if we cut below the figures the gentleman from New York will offer.

I say to you, it is not a partisan matter; it is not a matter of criminations between members of committees. It is an American question. I know and you know there are people who might try to gain political advantage because of your vote on this bill. We must not give this thought too much attention. I am proud of America. I believe this great country of ours in the hour of danger, and we are in danger as long as the Communists threaten this world, the American people are not afraid to face it. They are not afraid to spend money if it will bring security for the free world.

So I say to you, I hope you will put America above party; yes, put America even above your own personal fortunes because I know that in the years that remain for all of us there will be a greater satisfaction if we know that in a tense period, in an hour of great peril, an hour when America called for aid, we had the courage to vote for this money, notwithstanding the fact that it may be unpopular with a few people. And let me say that I am not so sure about the unpopularity of this issue. Some people think it is unpopular to take this stand. They have the right to their own opinion. Local elements in any community may voice that view, but way down deep, let me repeat, the American people want security, they want to keep back the Communists, they want to keep America so strong that we need not fear a war; and that is the price we pay for peace.

Mr. PASSMAN. Mr. Chairman, I yield 15 minutes to the distinguished gentleman from Virginia [Mr. GARY].

Mr. GARY. Mr. Chairman, let me say at the very beginning that I agree with every single argument the distinguished minority floor leader made in this well just a few moments ago. The only thing I disagree with him on is his conclusion. I believe the Members of this House know that I have long been a friend of foreign aid. I have long recognized its necessity. I realize we are fighting a cold war with a ruthless enemy and that we must use every weapon at our command, if we are to win that war. I had the privilege of acting as chairman and sponsor of the first foreign aid bill that came to the floor of the House. That was in 1950. I sponsored the bill for 4 years. I defended it on this floor. For the next 2 years, my good friend, the

gentleman from New York [Mr. TABER] was chairman of the committee and I was the ranking minority member. It has been my privilege to serve on the subcommittee that has handled this bill ever since the foreign-aid program began.

I want to say this—that during the entire time I have been a Member of this House I have never seen a more conscientious, a more dedicated, and a harder working chairman than the present chairman of our subcommittee. He has labored day and night. As a matter of fact, one of my self-assumed duties on the subcommittee has been to try to hold him down so that he would not overwork and overtax himself on this measure. Moreover, I have never seen a Member appear on the floor of this House with a better grasp of his subject and a greater knowledge of his bill. He has the figures at his fingertips and knows exactly what he is talking about.

I yield to no one in my belief in this program—but let me read to you an extract from a letter written on June 28 of this year. It was signed by Mr. Percival F. Brundage, Director of the Bureau of the Budget, and was sent to every department of the Government including the Director of the International Cooperation Administration. Here is what Mr. Brundage told the heads of the departments:

JUNE 28, 1957.

DEAR MR. SECRETARY: The President has requested that all agencies in the executive branch keep the rates of commitments, obligations and expenditures for the fiscal year 1958 at or below the level for the fiscal year 1957, to the extent feasible, and that I inform you of the necessary procedures for achieving this purpose.

Then, he outlines the procedures for the head of the department to achieve that purpose. The best way I know to achieve that purpose is not to appropriate the money. Now, we want to help the President achieve his purpose. Let us apply the letter to this particular bill. The President has requested that all agencies in the executive branch keep the rate of commitments, obligations and expenditures at or below the level for fiscal year 1957. Now, what was the total of the commitments and obligations in the foreign aid program for 1957? It was \$3,336,526,000.

What did we allow in this bill for the commitments and obligations for 1958? \$3,285,483,000. In other words, our recommendations are just slightly below the commitments and obligations for 1957, which the President says he wants to follow.

But let us look a little further. My good friend from Michigan—and he is a good friend of mine; this is one of the ablest subcommittees that I know of. They have all worked hard, and I do not know of anyone who knows more about this bill than the gentleman from Michigan [Mr. FORD]. Of course, you all know that the gentleman from New York [Mr. TABER] never comes to the floor unless he is well informed. The gentleman from Michigan [Mr. FORD] says that we made a mistake by not cutting some of the other features of the pro-

gram, but that we cut the military too much.

What were the commitments and obligations for the military assistance program in 1957? \$1,674,200,000. Now, what do we allow in this bill for commitments and obligations for military assistance in 1958? \$1,788,800,000. In other words, for military assistance we have allowed more for commitments and obligations in 1958 than they had in 1957.

But there is one other item. The President says he wants to keep the commitments and obligations and expenditures at the 1957 level. Let us look at expenditures. What were the total expenditures under this bill in 1957? \$3,910,000,000. What will be available for expenditures under the bill that is before you at the present time? \$8,719,760,000. In other words, you have funds available for expenditures not only for 1 year but for 2½ years.

There has been some question about these figures, particularly on the obligations for the military assistance program. All I ask you to do is to look at the table that appears on page 404 of the committee hearings. This table was furnished by the military authorities, showing their obligations for 1957. It shows total obligations reservations of \$1,713,000,000.

I have in my hand a letter from Mr. Shaw, Comptroller of the International Security Administration. This was written on July 24, 1957. It was a memorandum for John Murphy, who is Comptroller of the International Cooperation Administration, and it says:

Subject: MAT, June 30, 1957. Unobligated balance.

The estimate of unobligated fiscal year 1957 funds as of June 30, 1957, included in the fiscal year 1958 mutual security document is \$500 million. Recent reports from employment agencies indicate that the unobligated balance of military assistance fixed as of June 30, 1957, will be not less than \$538,800,000. It is requested that the House Appropriations Subcommittee be advised of this revised estimate.

If you take the figure I have just read to you, \$1,713,000,000, which is based upon the \$500 million unobligated balance, and subtract from it the \$38.8 million additional balance now esti-

mated, you will get the figure of \$1,674,200,000 which has been used throughout this debate by the chairman and other members of the committee on our side of the aisle.

Therefore, there can be no question about the fact that they were the obligations for the fiscal year 1957 and that we are allowing a larger amount for obligations for military assistance for the fiscal year 1958.

Mr. FULTON. Mr. Chairman, will the gentleman yield?

Mr. GARY. I yield.

Mr. FULTON. The gentleman has always had well-considered opinions. I would like to ask him if he has considered some events that have happened between the 1957 fiscal year appropriations and the 1958 fiscal year proposal. There is the Mideast trouble that caused the Eisenhower doctrine to be proposed, that our United States mutual security programs have had to take on and absorb. I, for one, do not want to take a chance of losing the Mideast because of the vital United States interest in oil reserves in this area, the Suez Canal, and the State of Israel, as well as our friends and allies in Turkey, Greece, Pakistan, and other friendly countries.

The United States simply cannot cut the pipeline of aid, because these obligations have been made in advance. You are getting down to the point now where you are going to cut maintenance of proper security forces. What you are really going to do is to cut out \$600 million of the \$900 million of new weapons programmed for our allies, cut out delivery of the Century series of planes, and the series of planes that are for use in anti-submarine warfare; you are going to cut out the minesweepers and the rockets and missiles for our allies and the United States foreign security bases. Why cut the program there?

Mr. GARY. Let me say to the gentleman that history does repeat itself. We have here today an absolute repetition of what took place on the floor of this House 1 year ago. Our committee at that time recommended cuts in the bill. We were told we were gutting the program. My good friend, the gentleman from Ohio—and I have his quotation

right here in the RECORD in front of me, where he said we were gutting the bill. At that time we were told by the White House that we would wreck the program.

What happened? Instead of gutting the bill and wrecking the program, they were unable to obligate \$667,050,000 of the money we appropriated for them. Can anyone stand here now and say that we wrecked the program when we cut the bill last year?

Mr. GROSS. Mr. Chairman, will the gentleman yield?

Mr. GARY. I shall be glad to yield to the gentleman from Iowa.

Mr. GROSS. Is it not a fact that if not another penny of money were appropriated they would still have enough to keep going at the current rate of expenditure until January 1959?

Mr. GARY. Yes; that is correct.

Mr. FULTON. Mr. Chairman, will the gentleman yield?

Mr. GARY. I yield.

Mr. FULTON. If the gentleman will recall, I offered the amendment that cut \$1 billion out of the appropriation last year. I am not one of the extremists. I felt we should make the cut last year and I was glad we did because I felt that we had cut pretty much of the fat out of the program. So this year I mention the fact at this point that it will come out of the new weapons program if we cut the bill materially; and, as a former veteran myself, I want the new weapons, and at this point I think you are beginning to talk about false economy.

Mr. MILLER of Maryland. Mr. Chairman, will the gentleman yield?

Mr. GARY. I yield.

Mr. MILLER of Maryland. I merely wanted to ask the gentleman who said the program could continue until 1959 if not another dime were appropriated, what we would use for money to pay for services in the field, to supply the necessary maintenance for troops? You cannot rely on the pipeline for that. We have \$70 billion in our own pipeline for defense but we still pay our troops out of current appropriations.

Mr. GARY. If no funds were appropriated this year there would be \$6,195,000,000 left in the fund.

Leave having been granted, I include the following table:

Military assistance program—Fiscal years 1956 and 1957 monthly actual and estimated obligations, reservations, and expenditures¹

[In thousands of dollars]

Month	Obligations		Reservations		Total obligations/reservations		Expenditures	
	1956	1957	1956	1957	1956	1957	1956 ²	1957
July	85,342	50,680	—	17,143	85,342	67,822	92,274	299,364
August	(21,092)	30,045	—	—	(21,092)	30,045	84,345	157,172
September	15,176	34,111	—	(16,052)	15,176	18,059	79,176	94,358
October	10,192	14,823	—	—	10,192	14,823	251,315	160,088
November	62,100	29,535	—	—	62,100	29,535	114,018	98,746
December	35,917	27,935	—	497,734	35,917	525,669	174,486	102,291
January	32,846	33,064	—	50,874	32,846	83,938	130,536	178,492
February	(95,202)	44,095	147,169	—	51,967	44,095	91,086	136,777
March	6,323	32,293	—	95,593	6,323	127,885	297,682	261,509
April	60,296	217,542	315,281	82,854	375,577	300,395	193,873	155,856
Subtotal ³	191,898	514,124	462,450	728,147	654,348	1,242,271	1,508,791	1,644,657
May	49,348	174,476	—	57,353	49,348	231,829	312,089	274,921
June	145,224	188,900	—	50,000	145,224	238,900	751,126	280,422
Total ⁴	386,470	877,500	462,450	835,500	848,920	1,713,000	2,572,006	2,200,000

¹ May and June 1957 totals are estimated.

² 1956 expenditures exclude reimbursements.

³ Totals may not add due to rounding.

The CHAIRMAN. The time of the gentleman from Virginia has expired. All time for general debate has expired.

The Clerk will read.

The Clerk read as follows:

Military assistance: For assistance authorized by section 103 (a) to carry out the purposes of title I, chapter 1 (including administrative expenses as authorized by section 103 (b), which shall not exceed \$23,500,000 for the fiscal year 1958), \$1,250,000,000; and in addition not to exceed \$538,800,000 of unobligated and unreserved balances of funds heretofore made available for purposes of section 103 (a) and section 104 are continued available for the purposes of section 103 (a).

Mr. TABER. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. TABER: On page 2, line 11, strike out "\$1,250,000,000" and insert \$1,600,000,000."

(By unanimous consent (at the request of Mr. TABER) he was allowed to proceed for 5 additional minutes.)

Mr. TABER. Mr. Chairman, the bill before us carries a total of \$1,788,000,000 or \$450,000,000 below last year's figures for this item. That is in spite of the fact that on top of the figures of disbursements or obligations that were referred to by the gentleman from Virginia and the gentleman from Louisiana, there were in addition \$500 million that came out of the programs appropriated for the fiscal years 1950 to 1956 to make up those obligations.

I have before me a letter from Assistant Secretary of Defense, Mansfield D. Sprague, who is in charge of this program, the letter being dated August 15, and reading as follows:

DEPARTMENT OF DEFENSE,
ASSISTANT SECRETARY OF DEFENSE
FOR INTERNATIONAL SECURITY AFFAIRS,
Washington, D. C., August 15, 1957.
The Honorable JOHN TABER,
House of Representatives,
Washington, D. C.

DEAR MR. TABER: I am of the opinion that there has been a misunderstanding as to the dollar level of the military assistance program which was carried out during fiscal year 1957. The amount of obligations/reservations made against fiscal year 1957 funds has been misconstrued as being the entire program in that fiscal year.

It is true that the obligations in fiscal year 1957 were approximately \$1.7 billion. However, this is not true with respect to actual performance. The fiscal year 1957 program totaled over \$2.2 billion, and this program was put into effect—it was put into effect in part, through the obligation of approximately \$1.7 billion in new funds. The remaining \$500 million of the program was carried out by redistributing \$500 million worth of spare parts, ammunition, and other maintenance items from prior year programs to new recipients under the fiscal year 1957 program.

Several countries did not use their equipment in prior years at the rates which had been anticipated and a careful screening of the programs revealed that the pipeline could be reduced for these countries and the resulting savings applied to fiscal year 1957 requirements. It was the use of this previously programmed materiel in the fiscal year 1957 program which created the \$500 million saving which was reported to the Congress as unobligated. This \$2.2 billion program was included to the presentation made to the Committee on Appropriations.

Sincerely yours,

MANSFIELD D. SPRAGUE.

Frankly, we are now right in the midst of things. We are about to arm Germany so that she can take her part in holding up the defense of Europe. We have in this item \$175 million for the purpose of supplying arms to the Germans as well as the sale of arms to them on the installment plan. That is in addition to what would be the normal situation. We have on top of that expenditures which are larger, the materials being more costly, than the 1957 funds produced, and which was charged to previous appropriations.

Now, the reduction in the funds is in the neighborhood of \$424 million. That is practically 25 percent of the whole amount that was asked for. If we cut the Army appropriation by 25 percent, where would we be? We would be out the window. Now, that is just about where we will be if we go ahead and cut this item by 25 percent.

As to some of the items that come along later, some of them are cut on a larger scale. The item for defense support is cut on a 40 percent basis. Now, we have got to wake up and appreciate our problem. Some of us who were not real keen for these foreign aid programs, with the economic feature alone, have come to realize that the defense support and military assistance in these items is the key to the whole thing. The only way that we are going to save money is go long that way, because we get along without having so many of our own troops stationed in foreign countries. We get along without wasting such a lot of our own energy and so much of transportation. Ten percent of the cost of maintaining our own troops overseas is all that is necessary to supply arms and ammunition and to pay and feed the troops over there. Now, that is why we need this money. That is why I am for it. It saves us money and it is needed for the preservation of our national security.

Do you realize the problem involved in sending troops into other countries? It does not make any difference whether they are friendly or not. It results in trouble. Therefore, the only thing we can do in this situation is to see that these people are equipped to take care of themselves in the defense of their own homelands so far as it is possible for us to do it. Now, that is why I have asked to have this amount restored to the amount of the budget estimate, the amount that the House agreed upon yesterday afternoon when it adopted the conference report, \$1.6 billion.

Mr. Chairman, I ask that the members of the Committee of the Whole vote for this amendment. It is an economy measure. It is a measure that is necessary for national defense. The people who do not appreciate that cannot be ranged along the line with those who are in favor of economy.

Mr. Chairman, I yield the floor at this time because I think I have said enough to convince the people who really are thinking about this; and that is all I ask. I ask that we meet our responsibilities here and do the right kind of a job for the United States of America.

Mr. PASSMAN. Mr. Chairman, I rise in opposition to the amendment.

(Mr. PASSMAN asked and was given permission to proceed for 5 additional minutes and to revise and extend his remarks.)

Mr. PASSMAN. Mr. Chairman, I should think it would be much better to stop discussing generalities and raising strawmen to be knocked down, and return to the actual facts. Less than 10 minutes ago I requested the clerk of the committee to call the high officials down at the ICA and verify the figures given to me earlier. They stated that the figures are absolutely correct.

Mr. Chairman, I am very fond of the distinguished gentleman from New York [Mr. TABER]. Certainly he is going to have to carry the ball for the administration. And if you should read the distinguished gentleman's remarks of last year and read the RECORD tomorrow morning, you would have to refer to the date to find out which year's RECORD you read first.

Last year, on July 11, 1956, the gentleman from New York [Mr. TABER] said:

Here I feel that I must support whatever efforts can be made to increase the bill at least to the authorization level on the item for military assistance.

That is the same item the distinguished gentleman was discussing this time. But notwithstanding the fact that he made that statement last year, what are the actual facts before us? Mr. Hollister and the other witnesses said:

We will have to admit that we overstated our requirements and we are having to turn back \$538,800,000 which we do not need.

I thought it would be well to have a letter from some official of the Department of Defense verifying this figure. So it is stated here:

Recent reports from the implementing agencies indicate that the unobligated balance of military assistance funds as of June 30, 1957, will be not less than \$538,800,000.

Let us deal entirely with the facts. Because of the testimony last year and the urging from Members of the other body, when we went to conference, we receded on part of the savings we had effected. But, Mr. Chairman, I do not think it would be good taste to embarrass the distinguished gentleman from New York. I certainly have no intention of doing so. Nor do I have any intention of embarrassing the distinguished minority leader, the gentleman from Massachusetts [Mr. MARTIN]. I am not going to read his remarks unless I am forced to do so. But he made similar remarks last year which certainly embarrassed me.

Mr. TABER. Mr. Chairman, will the gentleman yield?

Mr. PASSMAN. Yes; I will be happy to yield.

Mr. TABER. I was interested to note that the gentleman failed to realize that the saving was made as the result of the use of the funds that were appropriated for the prior years, and that was the result of a little bit of investigation on the part of bureaucrats, to go out and save some money. That is the thing the gentleman has overlooked, and that is the reason the figures he has used are not a good base.

In fiscal 1956 the military could obligate only \$848,920,000. They could obligate only \$1,674,200,000 in fiscal 1957. They admitted that we gave them too much money. But, even so, the majority of the committee decided we should recommend more money for obligation this year than they had for fiscal 1956.

I do want you to give particular attention to this matter. If you adopt this bill, you will have appropriated to the military \$5,512,000,000, which is a money supply, according to your own testimony, that would last for 2 years 6 months and 6 days. This represents a full 2½ years' supply of funds.

Remember, every year for 10 years the military has been guilty of overstating its requirements and has been guilty of overstating the amount actually to be expended. I think every Member of the minority in the Committee of the Whole admits that without exception for 10 years the military has overstated the amount of money it would spend. They say that they will spend only \$2,200,000,000 in fiscal 1958, but we are recommending a total of \$5,512,000,000, including the reservations, which is a 2½ years' supply.

I certainly hope the Members will appreciate the position of the distinguished gentleman from New York, and realize that he must carry the ball for the administration. But do not become too excited about the figures the magicians may send them nor about the generalities you have been hearing. Go back to the figures every time and you will support this bill.

I wish you would refer to page 404 of the hearings. In the last column, the witnesses state they can spend only \$2,200,000,000. There have been too many figures brought up here that cannot be substantiated. And did you understand that I mentioned when I walked into the well of the House that only 10 minutes before I walked into the well of the House I called the officials down at the International Cooperation Administration and they said, "The figures you are using are absolutely correct."

Earlier today the distinguished gentleman from New York said he was going to provide a letter showing some different figures for this matter. I am still waiting for those other figures.

Mr. TABER. Mr. Chairman, will the gentleman yield?

Mr. PASSMAN. Yes; I will be pleased to yield.

Mr. TABER. I read the letter in full, and it is right in the RECORD now. I have the original letter right here. I have already read it into the RECORD. I am sorry the gentleman did not pay attention when I was reading it. I tried to read loud enough so he could hear it.

Mr. PASSMAN. May I ask the gentleman from New York if it is true that we are recommending new funds of \$1,778,800,000 in this bill?

Mr. TABER. No; not new funds.

Mr. PASSMAN. I hope the gentleman is not as mixed up on other points as he is on this.

Mr. TABER. There is \$538,800,000 of reappropriations, and \$1,250,000,000 of new money.

Mr. PASSMAN. Does not that add up to \$1,788,800,000?

Mr. TABER. Yes; but that is only part new money.

Mr. PASSMAN. The gentleman from Michigan told me this morning, and he corrected me—I was a little embarrassed, but I was glad to have his statement—that the money lapsed. He said, "You just forget all about that." This is entirely new money; is that true?

Mr. FORD. That is correct.

Mr. PASSMAN. May I ask the gentleman from New York if it is correct that there is obligated a reserve carry-over in the amount of \$1,723 million?

Mr. TABER. I am sorry the gentleman from Louisiana is more interested in technicalities than in the merits of the bill and in the needs of the Government. That is the meat of the question.

Mr. PASSMAN. No; these are plain facts. Will the gentleman state whether or not it is true that this phase of the program has \$3,723,200,000 carried over from prior years?

Mr. TABER. I do not think it is that much, I do not know, but let me see here in the record for a moment.

Mr. PASSMAN. I am sorry if the gentleman does not know. I do know.

Mr. TABER. We have a statement that the gentleman gave to the committee that we had that amount—yes.

Mr. PASSMAN. Can you say that it is different than this amount.

Mr. TABER. I cannot.

Mr. PASSMAN. I thank the gentleman. I thought sooner or later he would admit I was right.

I yield to the gentleman from Michigan [Mr. HOFFMAN].

Mr. HOFFMAN. I have followed the gentleman from New York down the aisle in the interest of economy—I do not know—30 or 40 or 50 times, time and time again for 10 years. Often when there were but 10 or 20 or 50—many times when there were more than 100, I have heard him vote against appropriations. I have gone with him on his drive to save our own people money. I cannot go along now in giving away all this money to other nations when the worthwhile result has been nil. If economy is good for our own folks it is good for others. Pinch a penny that might help some needy individual here at home, throw down the drain billions for false friends, billions to be wasted abroad, as even he will admit—not me.

(Mr. PASSMAN asked and was given permission to revise and extend his remarks.)

Mr. HALLECK. Mr. Chairman, I move to strike out the last word.

Mr. Chairman, I suppose it takes more than an ordinary amount of courage to undertake to follow the gentleman from Louisiana who has spent so much time on this program, a gentleman for whom I have the highest personal respect as a Member of this body. I count him as my friend as I am his friend. I spoke to him earlier about this bill. He said, "Well, now if I give you all you ought to have,

will you be satisfied?" And I said, "If you will just let me in on that determination, I will be satisfied."

Mr. PASSMAN. Mr. Chairman, will the gentleman yield?

Mr. HALLECK. I yield.

Mr. PASSMAN. I am sorry I did not let the gentleman in on it because I am sure the gentleman would have been on my side if I had let him in on the amount.

Mr. HALLECK. I heard what the gentleman had to say since we started this debate. I have read as much of it as I could, and unfortunately for him, possibly, but maybe fortunately for the country, I find myself in disagreement with the gentleman. I want to address what I am about to say to my good friends on the right hand side of the aisle. The gentleman reminisced a bit about some earlier statements about this program and some of the things that have been done and said through the years. Would you permit me to say that

not so long ago it was my privilege, at the invitation of President Truman to go to Independence, Mo., his hometown, to participate in the ceremonies there for the dedication of the Truman Library. Senator KNOWLAND went there from the other body and former President Hoover was there. I sat and listened to speaker after speaker tell of the great accomplishments of Mr. Truman and his administration. I felt a little pride in my part in the accomplishment of the things that were stressed there because, as I listened to the speakers, there was a constant repetition of the great accomplishments for the world and for the cause of peace and freedom which were found in the beginning of the Truman doctrine, the interim aid to France and Italy, the Greek-Turkish aid, the Marshall plan, and the adoption of the NATO agreement. May I remind my friends on the right hand side of the aisle that it was the Republican 80th Congress in which I was privileged to serve as majority leader that we responded to a then Democratic President of the United States. To do what? To resist Communist aggression and infiltration. Yes, and to provide for the security of our own country. Now, as I watched some of these votes in recent years, far be it from me to say that anyone is playing politics with this measure or that anyone is resisting it because our President now happens to be a Republican.

I would not think that. I am not charging that. All I am saying is that I trust my friends on the right side of the aisle will respond to this President as we responded then, to carry on this program that is heralded by many as having been a great accomplishment for the cause of freedom and liberty all over the world.

Some people may say that the need for this program has gone; that it is all give-away.

Now, if you think that the Russian Communist conspiracy is not a real threat to our security, then, of course, you ought to be against this whole program. But how can you come to any such conclusion as that? I do not see how any of us can. I think the threat

is real. Let me ask you, when our boys who were being shot in Korea, were the Communists firing real bullets at them? You know they were firing real bullets, and our boys felt it. So I say that the very threat that existed earlier is still with us; and with it all, the development of airplanes that fly faster, and the development of missiles with greater range.

Now, what is this program all about in respect to this military assistance? It is to build the offshore defense of the United States and the free world. It is as simple as that. We are past the time when we can draw back to our own shores and say, "Here we make our stand."

Much of the money here involved would be going to Korea to maintain those divisions. Did we fight in Korea to lose what we have there? Other parts of this money would go to Formosa. We all voted for the Formosa resolution. Did we mean it, or are we going to wench on it? Are we going to say to our friends and allies there that we are going to back out? The money involved in this Act will adversely affect the development of our defense in Turkey, in the Baghdad Pact countries that are literally on the periphery of the Russians. The cut of some \$600 million that has been made from the original request, I am informed, would have to come principally from the money that was allocated in this program in the first instance to modernizing the weapons of our friends and allies in those important places.

The CHAIRMAN. The time of the gentleman from Indiana [Mr. HALLECK] has expired.

(By unanimous consent, Mr. HALLECK was granted 5 additional minutes.)

Mr. HALLECK. The NATO countries the same way. They are the countries and theirs are the forces that will first act and will first come under the gun in the event of real Communist aggression. They are ready to stand. They want freedom. They want liberty. They want peace. But they will not continue to stand with us if we begin to wench on our obligations.

I have heard our distinguished Speaker say many times, as we have voted money for national defense, and even for this program, that if we are going to err we ought not to err on the side of too little. Rather we should err on the side of having too much. We must strengthen the national defense. Let me say to some of you who are going to support this cut that it will be something like some other votes that have been made in the past. If we do not get into any trouble it is fine. You will save some money. But you let trouble break out and you will look back on this day when you refused to grant the funds to modernize the weapons of our allies while the Russians are modernizing theirs; you will look back and wish you had not so voted. I do not predict that trouble will break out, but who knows whether or not it will break out?

There are some figures that I think are correct. When we started the military assistance program in 1952 and 1953, we

appropriated \$5.7 billion in 1952, and in 1953 we appropriated \$4.2 billion. Now these appropriations have been coming down progressively, except for one period when large unobligated balances were being absorbed, so that we had a sharp drop in the new appropriations needed.

Just compare those figures with the \$1.6 billion that this amendment seeks to reestablish in the bill. I say it is a reasonable amount and ought to be agreed to.

Mr. PASSMAN. Mr. Chairman, will the gentleman yield? This is very serious business to me.

Mr. HALLECK. I understand that; it is serious business to me, I may say to the gentleman. I yield.

Mr. PASSMAN. I know that it is, but may I refer the gentleman to the CONGRESSIONAL RECORD of August 17, 1951, where his side of the aisle had offered a motion to recommit the bill to take out \$350 million. That was during the administration of President Truman, the President the gentleman praised so highly a moment ago.

On that roll call I observe that the gentleman from Indiana voted to take out the \$350 million; and evidently the distinguished gentleman from Massachusetts, Mr. HERTER, had not been so completely dedicated either, for he, too, voted to recommit.

Mr. HALLECK. Mr. Chairman, I do not yield further.

Mr. PASSMAN. I wanted to clear up that point for the gentleman.

Mr. HALLECK. Now, Mr. Chairman, the gentleman says this is serious business, and it is. Apparently that was the appropriation for the fiscal year 1952. Is that right?

Mr. PASSMAN. That is correct, sir.

Mr. HALLECK. That year for military assistance we still had \$5.7 billion.

Mr. PASSMAN. If the gentleman from Indiana will yield—

Mr. HALLECK. I do not yield further. What I have said here about the overall aspects of the various aid programs, and the actions of those of us who originally brought them into being cannot be disputed by anybody. If anybody can dispute it let him stand in his place.

Mr. JUDD. Well, will the gentleman yield?

Mr. HALLECK. I just want to conclude this. Actually, there were times when some reductions were offered, and for some of them I voted, but if you will look at the overall figure of this program, for the same 1952, you had new appropriations of \$7.2 billion, and you had a carryover of \$9.8 billion.

In 1953 you had \$6 billion of new appropriations, and a carryover of \$10 billion.

So what I am saying cannot be disputed, and that is that we have been progressively reducing these large carryovers. That is what the people of the country have wanted; that is what I have wanted; but I do not want them reduced to the point where the very security of our own country is endangered.

Mr. JUDD. Mr. Chairman, will the gentleman yield?

Mr. HALLECK. I yield.

Mr. JUDD. There is this further factor in connection with the vote of August 17, 1951. It was in July, the month before, that the Communists had asked for a truce in Korea, and our President at that time, Mr. Truman, was in the process of negotiating a truce, exchange of prisoners, and so on. The military threat was greatly reduced, or at least it seemed to be. Does the gentleman see anything in the international picture today similar to that?

The CHAIRMAN. The time of the gentleman from Indiana has again expired.

(By unanimous consent, Mr. HALLECK was allowed to proceed for 1 additional minute.)

Mr. HALLECK. It does seem to me, if I may say so, with all respect to my good friend from Louisiana, that when he goes back to 1951 to find that one vote involving \$350 million out of a \$5 billion appropriation, for which program a lot of us went down the aisle—and may I say that in the country from which I come, such an attitude was not too easy—but I think it was a poor way to respond to what I had to say.

Let me say just this further to my friends on my side of the aisle: We have a great President of the United States who, if he knows anything—and he knows a lot—but if he knows any particular subject it is the one with which we are here dealing; and he has associated with him some of the ablest people in this whole field.

As far as I am concerned, I think these requests have been pared down in line with other requests that have been made; and, as far as I am concerned, I am going along with that position. I trust that on both sides of the aisle, for the security of our country, Members will not want to be pinching pennies.

I say the amendment ought to be adopted.

Mr. GARY. Mr. Chairman, I move to strike out the last word.

Mr. Chairman, I was very glad to hear my good friend the gentleman from Indiana refer to the days when this program started under our former President, Mr. Truman. As I stated a few moments ago, I had the privilege of acting as chairman of this committee at that time. I want to say to the gentleman that not a single time did our committee ever bring in a bill that we did not recommend certain reductions in the request of the President of the United States. I voted to cut the President's request at that time and I am voting to cut it now. My very dear friend from New York voted with me on those occasions and I am sorry that we are now on opposite sides. We handled this program together and we usually voted together on those measures.

Let us look at the record. I am going to refer to 1 or 2 instances. Let us turn to the year 1947. There was an amendment to cut \$150 million from funds for relief of war devastated countries. The bill was requested by President Truman because of imminent closing of UNRRA operations and would have authorized \$350 million for food, medical supplies, and so forth. The

vote on the amendment to cut the funds was Democrats for, 35, against, 128. The Republicans voted 190 for the cut, 36 against.

Now, let us look at the Korean aid bill back in 1950. We are hearing a lot of talk about Korea. There was a motion offered to kill the Korean aid bill, in the form of a motion to recommit. The bill authorized \$60 million in economic aid to Korea. The motion was defeated by a vote of 190 to 194. Fifty-eight Democrats voted to kill the bill and 173 voted against killing it. One hundred and thirty-one Republicans voted to kill the bill and 21 voted against killing it.

Then on passage of the bill 170 Democrats voted for passage, 61 against and 21 Republicans voted for passage, 130 against.

Mr. Chairman, that is the record.

If I thought that the action of our committee or the action of this House today would in any way cripple the program, I would be on the other side. But what I have tried to do as a Member of this House is to vote consistently to maintain adequately those programs which are necessary for the defense of the country but not to appropriate any more than is necessary.

Mr. RIVERS. Mr. Chairman, will the gentleman yield?

Mr. GARY. I yield to the gentleman from South Carolina.

Mr. RIVERS. How much money do they have in the bank that they have not obligated or have not spent as a balance on this program?

Mr. GARY. Unobligated \$667,050,000.

Mr. RIVERS. How much of a balance do they have overall?

Mr. GARY. The unexpended balance in the overall program is \$6,195,000,000.

Mr. RIVERS. Six billion dollars on June 30, then \$2 billion plus, that makes \$8 billion plus. Is there anyway on earth they could spend that in any one year?

Mr. GARY. Oh, no.

Mr. JUDD. Mr. Chairman, will the gentleman yield?

Mr. GARY. I yield to the gentleman from Minnesota.

Mr. JUDD. Two points: First, is it not incorrect to give the impression that money in the pipeline is available for spending for other purposes than those for which it is committed?

Mr. GARY. No.

Mr. JUDD. That money is at work supporting contracts already entered into.

Mr. GARY. It is not available for obligation, but it is available for expenditure. That is the money that will be spent this next year.

Mr. JUDD. It is already committed.

Mr. GARY. Yes.

Mr. JUDD. For things in process of procurement.

Mr. GARY. It is either obligated or reserved, but it is unspent. That will be the spending for next year and they estimate the expenditures for next year at \$2,200,000,000.

Mr. JUDD. The other point I want to make is this. I myself did not vote against that bill for economic aid for Korea to which the gentleman referred. But those who did vote against it were right. Many of them were against it

because it was merely economic aid. They correctly presented the argument that to give insignificant economic aid without military aid to Korea with the Communists right on the 38th parallel would be throwing the money away. That was what it proved to be. So the Members who voted against that bill were the ones who were right. I voted for it for reasons I explained at the time. I was not willing to give that new republic no chance at all. But subsequent events proved that those who opposed it were not opposing sound mutual security. They were just being realistic in opposing a waste of money.

The CHAIRMAN. The time of the gentleman from Virginia has expired.

Mr. MILLER of Maryland. Mr. Chairman, I move to strike out the last word.

Mr. PASSMAN. Mr. Chairman, will the gentleman yield?

Mr. MILLER of Maryland. I yield to the gentleman from Louisiana.

Mr. PASSMAN. Mr. Chairman, I ask unanimous consent that all debate on this amendment close in 30 minutes.

The CHAIRMAN. Is there objection to the request of the gentleman from Louisiana?

Mr. HOFFMAN. Mr. Chairman, reserving the right to object, how is that time to be divided? Are the members of the committee going to take it all? It looks like it.

The CHAIRMAN. The Chair will endeavor to divide the time among those Members who were standing.

Is there objection to the request of the gentleman from Louisiana?

There was no objection.

Mr. VORYS. Mr. Chairman, a parliamentary inquiry.

Do Members who have already spoken on this amendment also have the right to speak under this limitation?

The CHAIRMAN. They may.

Mr. HOFFMAN. Just a moment. If a point of order is made against it, may they speak twice?

The CHAIRMAN. They may rise in opposition to the pro forma amendment.

(Mr. MILLER of Maryland asked and was given permission to revise and extend his remarks.)

Mr. MILLER of Maryland. Mr. Chairman, I think it is important that the members of the committee realize just exactly what we are doing at this time. This is really the most important amendment and the most important item in the bill.

There has been reference made to the three or four billion dollars in the pipeline, and statements have been made to the effect that we might not make any appropriation at this time and there would still be vast sums unspent in this program. Well, I think the membership should realize that even though that is true in one sense of the word, it would not provide any funds, for instance, for supplying rations, equipment, the needed arms, and the modern weapons this year to our allied friendly forces that are holding the line in Korea, Taiwan, in NATO, and elsewhere. That pipeline money is obligated for equipment and projects for the future, and if we should use that approach, we might just as well say that

we should have appropriated nothing for the Department of Defense this year because we have got something like \$70 billion in that pipeline. The principle is exactly the same, and what we will be taking away or reducing is weapons and equipment and the needed facilities which no one but us can supply for the several million friendly troops that are holding the shield line from behind which we are to operate if we are to maintain our security in the world today. Certainly, we are doing a great disservice—to the people I am thinking about, the Americans who are out on that line now—we are doing them a great disservice if we withhold from their allies, their friends, the people on whom they must rely, the warning systems and the modern weapons needed at the earliest possible moment for their own mutual security. We would delay their receipt of such weapons as the Nike, Honest John, Matador, or similar missiles; and retard modernizing of aircraft and the activation of F-100 fighter squadrons that our allies need, and without whom our own men and women who are now in the front lines would be hopelessly outnumbered.

This money is vital, according to our President. The bill as reported is \$650 million less than he asked. I do not see how in all conscience we can let it pass with such a radical cut when the people whom it will hurt most will be our devoted soldiers, sailors, and airmen who are out in the far corners of the world, dependent upon the support they get from friendly local troops. If we are going to economize anywhere—and heaven knows I believe in economy—I do not think we should economize at the point where our greatest military leaders say we get the most for our money, the best dollar value. We get that by keeping these forces there, without whose help, if they did not have the modern weapons we must supply them, they would not be able to share with us the responsibility of protecting the free world.

We are all on a ship together. Whether we like it or not, the free world is like a vessel in a storm. And surely we should not quibble about whether we like all the members of the crew. These peoples of the free world are tied in with us and if the ship of freedom sinks, we are all going down together. It is very cheap to worry about handing a needed rope, or a cup of coffee to a member of the crew, because you do not happen to like him when the ship is in peril. I do not think we can afford to economize at this point when the best military brains, including our great President, say that this is a place where money is most needed in our program.

Mr. Chairman, I hope the amendment offered by the distinguished gentleman from New York [Mr. TABER] will be adopted.

The CHAIRMAN. The Chair recognizes the gentleman from Missouri [Mr. CARNAHAN].

(Mr. CARNAHAN asked and was given permission to revise and extend his remarks.)

Mr. CARNAHAN. Mr. Chairman, I am not sure that all of us realize how much the United States depends on the

mutual security program. It is not something that we can take or leave alone, feed or starve, at will, or abandon whenever the spirit moves us.

The mutual security program has been built into our foreign policy and our defense strategy. Our defense strategy depends on overseas bases and the cooperation of foreign allies. We have entered into military commitments with other nations which they are living up to at great risk and cost to themselves. Our foreign policy is directed toward preventing any more territory any place in the world from falling under Communist domination.

The evidence we have clearly indicates that the majority of the American people favor these objectives. I am sure that nearly everyone knows that the "fortress America" concept would not work. Our people recognize that it is vital to the future of our country that we develop and maintain satisfactory relations with the newer nations of Asia and Africa.

My point is this: We cannot have the foreign policy or the defense strategy which we now have without foreign aid, and we cannot do the job which we have set out to do without providing the funds to finance it.

We might have chosen a small-scale foreign aid program or none at all. We have not made that choice. The President has submitted to the Congress his recommendations for a diversified and complex program. The Congress has authorized him to go ahead with it. If we do not provide the money to carry it out, we do more damage than if we had drastically curtailed or remodeled the program in the authorization.

It is comparable to telling the President that we want him to have a tractor rather than a horse-drawn operation and then refusing to give him enough gasoline to run the tractor.

What has been accomplished by our mutual security program?

Hon. Mansfield D. Sprague, Assistant Secretary of Defense for International Security Affairs, answered the question in these words:

It is impossible for us to estimate what military strength the other nations of the free world would now have were it not for our military assistance program. However, we can get some indication of the contribution which the program has made by looking at the progress of our allies since the beginning of the mutual effort. In 1950, our allies' active ground forces numbered about 3½ million men, mostly ill trained and poorly equipped. In their naval forces were fewer than 1,000 combatant vessels. Their air forces were equipped with about 11,500 aircraft, of which fewer than 500 were jets.

By the end of 1956, there were 4.8 million men in the ground forces of our allies—an increase of 37 percent. In their navies were over 2,300 combatant vessels, an increase of 139 percent. Their air forces were equipped with over 12,000 conventional aircraft, and the number of jet aircraft had increased to nearly 11,000—22 times as many as they had in 1950.

Moreover, the men in these forces are much better trained and organized than the troops of 1950 were, and their morale is at a much higher level. They have better equipment and support facilities. Their air forces have many more and better airfields and improved communications and early

warning systems. It would have been impossible for our allies to make these vast improvements in the size and effectiveness of their forces had it not been for the military assistance which the United States has provided. The importance to us of the buildup of these allied forces committed to the defense of the free world is particularly well illustrated by a contrast of its cost to our own defense expenditures during the same period. From 1950 through 1956, the United States spent on its domestic defense program, including the cost of carrying on the Korean action, approximately \$254 billion. In these same years, the total of our military assistance program plus the defense expenditures of our grant-aid allies and of Canada, Australia, and New Zealand, amounted to \$124 billion, or about half of our aggregate expenditure.

After having made these outlays, the United States today has Army forces of over a million men, an Air Force equipped with almost 27,000 aircraft, and a Navy with almost a thousand combatant vessels. Our grant-aid allies and Canada, Australia, and New Zealand have built up for the defense of the free world active ground forces of over 5 million men, air forces with over 27,000 planes of which 12,500 are jets, and naval forces with 2,500 combatant vessels.

We cannot know how much the strength represented by these allied forces would have cost the United States if we had to create it entirely with our own resources. If our allies had not received our assistance in developing that strength, however, it seems clear that for its own security, the United States would have had to make much greater defense expenditures. Furthermore, we would be obliged to maintain many more men under arms, with a considerably larger proportion of them overseas. And with all of this we would not have as much defensive strength for our efforts as we have today.

What would be the cost to the United States if we did not have a mutual security program? This question was put to Admiral Arthur W. Radford, Chairman, Joint Chiefs of Staff.

Here is his reply:

The military capabilities and contributions of each of our allies are carefully considered by the Joint Chiefs of Staff in developing our war plans and in appraising the specific United States force levels required to execute those plans. There is no doubt that these force levels of the United States would have to be expanded at greatly increased costs were it not for the free world forces supported by the military assistance program. In fact, our entire military program and present strategic concepts would have to be radically revised.

Much of our strategy hinges upon the continued availability of military bases in places where we may have to defend against aggression. In some cases, we establish and operate them with United States forces; in others, we provide military assistance to nations which maintain bases of potential value to the allied defense effort. Where possible, these bases are protected by indigenous military forces. The Joint Chiefs of Staff consider that an adequate overseas base system is essential to the successful prosecution of free world military strategy. Here, then, is a definite link between our prospects of victory if war is forced upon us and the military assistance program.

If we were to go on a military Fortress America concept (which as I have said is not technically feasible at this time although it may be at some future time), it would cost a tremendous amount of money, much more than we spend now. But the worst disadvantage of the adoption of such a concept is

that the rest of the world would gradually swing to the Communist side and we couldn't live in the world that was left.

(Mr. CARNAHAN asked and was given permission to revise and extend his remarks.)

The CHAIRMAN. The Chair recognizes the gentleman from Ohio [Mr. VORYS].

Mr. VORYS. Mr. Chairman, I support this amendment. We will get into trouble if we try to follow past votes of various Members for guidance on this bill, because the gentleman from Louisiana, who is championing this bill on the floor, voted against the authorization for it, the fundamental policy of it, only yesterday. If you want to look at a significant past vote, however, as to what happens when the chips are down and we are in a fight and wish we had some allies, look up the vote on July 18, 1950, on this same military defense assistance program. We were in the Korean war then and wished we had some others fighting beside us. The vote on that bill was 366 to 1. The one was Vito Marcantonio. If the gentleman from Louisiana was in town, I am sure he was one of the 366.

Let us bear in mind that this military aid program is fundamentally an economy program. It costs us \$6,600 to maintain an American soldier overseas without a gun in his hands. Our contribution by this program is less than \$500 a year per soldier to help arm and maintain 4,800,000 allied troops in places where our Joint Chiefs think they ought to be for our mutual security. This cut we are trying to restore would mean that those troops who face right across the border the Red Chinese and Russians will be facing them with World War II obsolete weapons while their Russian foes opposite have modern weapons.

We have to use the first \$980 million of this amount to maintain the forces in being now. These figures are in the record and cannot be disputed. Even with the restoration we have left only \$520 million to take care of shipping, administration, and operations that are estimated to cost \$345 million, and that will leave us only \$175 million for the new weapons, to equip these faithful allies of ours, although we need \$900 million for this purpose.

This cut, which will gut our military program, should be restored.

The CHAIRMAN. The Chair recognizes the gentleman from Iowa [Mr. GROSS].

Mr. GROSS. Mr. Chairman, I share the concern my colleague from Michigan [Mr. HOFFMAN] expressed a few minutes ago as to whether he and I have been walking up the center aisle with the gentleman from New York [Mr. TABER] to no avail. I have joined the gentleman from New York in voting for economy time after time in this House, but if there is any economy in increasing this bill by something like \$350 million, I will eat the paper that he wrote his amendment on. He apparently is for economy at home, but ready to dish out the dollars to foreigners.

A previous speaker asked this question, "What will the foreigners think of

us if we do not restore the cuts?"—cuts the committee wisely made in this bill. My answer to that is that foreigners will begin to have some regard for the sanity of the Congress of the United States if these cuts are sustained.

Something has been said to the effect that we must vote this money in order to support NATO. Let me ask some of you: What has become of some of the money we have already spent on NATO? We have spent \$7 billion on France, and I doubt that France has more than 1 or 2 combat divisions in NATO today. French troops are in Algeria fighting a war against the natives and using our equipment to do it. They are not in Europe ready to combat communism. Where are the British? They are threatening to withdraw more of their already meager forces from NATO. All you have in NATO, after spending billions upon billions of dollars on countries that were expected to supply troops, is a skeleton force. This amendment offered by the gentleman from New York is anything but economy. It ought to be defeated and I certainly intend to vote against it and any other amendment to increase spending under this bill.

Mr. Chairman, I want to take this opportunity to commend the gentleman from Louisiana [Mr. PASSMAN] and those members of his subcommittee who have worked long and hard to reduce the spending under this bill to something resembling fiscal sanity.

I think I know something of the pressures under which the gentleman from Louisiana has worked, and he deserves the highest commendation of those Members of the House who have long been convinced that the American people cannot forever support the appropriation each year of billions of dollars to be handed over to foreign countries.

The CHAIRMAN. The Chair recognizes the gentleman from Michigan [Mr. HOFFMAN].

(Mr. HOFFMAN asked and was given permission to revise and extend his remarks.)

Mr. HOFFMAN. Mr. Chairman, one of the most unfair arguments that has been made against this bill, not by any Member of the Congress but by others, is that it is either dollars or your boys. There is nothing fair about that argument—it is not true—it is a false plea—an appeal to emotion—not to reason. The gentleman from Indiana [Mr. HALLECK], asked: Have we sacrificed in vain the lives of those who died in Korea? My answer, "Yes we have." We sacrificed them in World War I, in World War II, in Korea hundreds of thousands because we stuck our national nose into the business and policies of every other nation that got itself in trouble. That is why they died and that is why more of them will die unless we change our policy. We all know that we can destroy ourselves by spending just as we can by becoming involved in war. What have we gotten out of this policy on which we have spent billions—sacrificed our men by the thousands? At one time, well back in revolutionary days when our country so far as the world picture then existed, was nowhere

near as powerful comparatively as it is today, we won our freedom; did we not? What has gone wrong with us? Have we lost courage, determination? Ever since this policy has been established, we have been paying tribute to other nations with the idea that we will get their friendship and their help if need comes. Read the history of the world from the beginning, from the writing of the first word, and you will find every other nation except our own Nation, always when the chips were down has gone on in favor of the policy which would in the opinion of its leaders be most beneficial to their own nation, not to some other nation. Remember the old saying—millions for defense and not a cent for tribute? We have thrown that into the wastebasket. Today we cringe in fear—hide behind the false propaganda that our national existence depends upon the good will of those to whom we pay tribute. The doctrine of fear advocated, encouraged and augmented by the gentleman from Minnesota [Dr. JUDD], the gentleman from Ohio [Mr. VORYS], and the gentleman from Pennsylvania [Mr. FULTON], and others has frightened us year after year until we have come to believe that our only salvation and our only safety is in trying to buy the friendship of someone who in time of trouble will bail us out. We have gone back to the policy of King George, who, was it not, hired the Hessians to come over here in an attempt to deny our ancestors the right to freedom. Let us thank God that Washington and those who fought—many until death—had the courage, the determination to resist—to fight on. Some of us were here when Japan was asking and got scrap. We were then talking against sending scrap to Japan. Some may remember that we said it would come back. And it did. The result to our men. And now we are sending material abroad and if another war comes along because of our meddling and sticking our national nose into the affairs of other nations the munitions we are sending over now will come back to kill our own men. It is doubtful if we have a single friend anywhere on earth who will be a helpful friend if war comes. We enabled Russia to become a world power—she is today our enemy. We take the same risk when we aid them.

The CHAIRMAN. The Chair recognizes the gentleman from Minnesota [Mr. McCARTHY].

(Mr. McCARTHY asked and was given permission to revise and extend his remarks.)

Mr. McCARTHY. Mr. Chairman, it is unfortunate that the advocates of the restoration of these funds come to the floor with mixed records of support for foreign aid. There is no need to review the record. I think most of us know how we voted in the past, and we are generally familiar with the records of our colleagues who have spoken here today. I sympathize with the members of the Committee on Appropriations because on examination of the record, it seems clear to me that the administration has not effectively justified what it has been asking for. They, perhaps, remember how easy it was to get through

the Middle East resolution in this Congress just a few months ago without any justification. I was opposed to that action. I did not think the emergency was such that the House should have rushed to pass that resolution as it did. In any case, the direction of the policy and intent of the administration, as indicated in their present request for this appropriation, is clear enough to justify the House in restoring the funds which have been taken out. The administration must take some responsibility for the difficulties in which it finds itself today. We know that in the interest of balancing the budget in the past they drew out of the pipeline. The Democrats criticized them and called the reductions misleading. We were right. So today, when the Republicans are asking us to restore strength in the pipelines we should remember what we said a few years ago and vote consistently with the position we have taken in the past.

I suggest to the Appropriations Committee members, especially those who have taken a stand against the so-called performance budget, that what they are really doing today approaches a performance budget procedure. They are refusing the administration the right to project its program. They say there is 2½ years' supply in the pipeline. Is that enough to meet the emergency, or a 5- or 10-year Russian plan? If they are opposed to a performance budget they should be opposed to the action they are advocating today.

When we are dealing with appropriations we are dealing with something different from authorizations. If the House wishes to take a position for bargaining with the Senate on an authorization, that is one thing, but appropriations are something else. These are primarily and fundamentally the responsibility of the House of Representatives. We should pass an appropriation bill which is as accurate as possible—without anticipating compromise. Such action protects and strengthens the integrity of the House.

The CHAIRMAN. The gentleman from Illinois [Mr. VURSELL] is recognized.

(Mr. VURSELL asked and was given permission to revise and extend his remarks.)

Mr. VURSELL. Mr. Chairman, this House has a great responsibility, in my judgment, this afternoon, as it has had on many other occasions. Our responsibility, in my judgment, when you think the matter through coolly and calmly, and look over what we have accomplished in the past, would direct us to support the present amendment; to write sufficient funds back into this appropriation bill, to serve notice to the world that we still have confidence in the President of the United States and the Joint Chiefs of Staff and the men who have the responsibility of coming to this Congress and telling them honestly what they think they should have in funds and for what they will use those funds in the defense of this country and the free world.

In my judgment, if we do not restore these funds, there may come a day, if

we pinch off through appropriations the nations of the free world, when this will be the most extravagant saving of a few hundred million dollars, because it may cost us many more millions of dollars to undo the wrong of a mistake that we may make here today.

I hesitate to put my judgment against the judgment of the President of the United States, with his lifetime of military service, and the men around him who say this appropriation is absolutely necessary; men who undoubtedly know more about the necessity for it than we can learn here in the Congress.

We have kept the peace of the world, in my judgment, because we have been as liberal as we have been in assisting other free nations of the world on the periphery around Russia. Let us not weaken now at this critical time.

Let us not weaken in this critical time; let us make certain that we continue to draw the noose tighter around Russia, forcing her closer to the orbit of world peace.

The CHAIRMAN. The Chair recognizes the gentleman from Minnesota [Mr. JUDD].

Mr. JUDD. Mr. Chairman, probably everyone on an important vote like this, to give more rather than less for military assistance to our allies, makes up his mind on the basis of his estimate of the seriousness of the situation our country faces. I am sure those who favor the deep cut in the committee bill are convinced it will not injure our country. They are patriotic; that is the last thing they would want to do. Likewise, we who want to have the cut eliminated and the amount increased, do so because we believe strongly that our country may be injured and our long-term security endangered if we do not restore the full amount authorized. We too are patriotic, and we believe the threats our country faces are of very grave nature.

First, may I say that if the amendment offered by the gentleman from New York is adopted to restore the \$1.6 billion which was in the conference report, it is still \$300 million below the President's budget estimate or request. So we are not being careless with money if we adopt this amendment. It is the minimum.

Just a few weeks ago we appropriated \$34 billion for our own defense establishment. And there were only a few votes against that gigantic sum. What do we get for those \$34 billion? We get 125 air squadrons, approximately 1,000 naval vessels, and 21 land divisions.

What would we get under this bill if we were to give the President the \$2.8 billion he asked for—\$1.9 billion for military aid and \$900 million for defense support? We would get another 125 air squadrons, more than 2,000 additional naval vessels, and 200 land divisions.

That is, by appropriating in this bill less than 8 percent of our own defense budget, we would double our air strength, we would triple our naval strength, and we would increase our land strength more than 10 times.

Can anybody suggest any other place where we can spend defense money with as great return for the security of the

United States by this program? For that reason I urge that we support this amendment. It does not provide the full amount requested, but it is the least we ought to provide, if we want to take no chances with our national security.

If, as the gentleman from Louisiana has predicted so many times, the President does not need it all, then it will not be spent—and no damage will have been done. If, on the other hand, we provide less than is needed, we may be placing our country in mortal danger. I am not willing to accept such a responsibility.

The CHAIRMAN. The Chair recognizes the gentleman from Washington [Mr. MACK].

(Mr. MACK of Washington asked and was given permission to revise and extend his remarks.)

Mr. MACK of Washington. Mr. Chairman, waste in the foreign aid give-away program is nothing new. It has been going on ever since President Harry Truman and Secretary of State Dean Acheson started this program 10 years ago.

In Truman's time \$7 billions a year were spent on this program. The waste then was greater than now when under Eisenhower the program has been reduced to about \$3 billion a year.

I remember the Korean aid bill which has been mentioned here earlier today during the debate. The Truman administration had an idea that the South Koreans should not be rice growers and farmers. They wanted to make them into industrial workers. To do that they asked many millions from Congress to industrialize South Korea. I voted against that proposal.

One of the Truman administration schemes for industrializing Korea called for building plywood plants there. Paul Hoffman, then the head of ECA, was to carry out this proposed plywood plant program.

Under the Truman-Acheson plan United States taxpayers' money was to be used to build plywood plants in South Korea and more American taxpayers' money employed to equip these Korean plywood plants, built with American dollars, with modern plywood machinery. Then to top off the give-away more American taxpayers' money was to be used to buy plywood peeler logs and to give these logs free to Korea.

This democratic scheme called for giving Korea free, fully equipped, plywood plants and then also the raw material on which these plants would operate.

The Korean war came along and killed this absurd foreign give-away scheme of the Truman administration.

My vote against using American taxpayers' money to build and equip plywood plants in South Korea and then to supply these plants free logs for the operation of these plants was an absurdity. I thought I was right when I voted against this proposal. I still think it was the right vote.

The CHAIRMAN. The Chair recognizes the gentleman from Pennsylvania [Mr. FULTON].

Mr. FULTON. Mr. Chairman, I rise in support of this amendment to restore these United States defense funds.

There is no doubt that the security of the United States should not depend on partisan positions. As a matter of fact, both President Eisenhower as well as former President Truman have given very strong statements for the full amount of this security program. Likewise Dean Acheson, former Secretary of States; likewise Adlai Stevenson, the former candidate of the Democratic Party for President, much to their credit, have risen above partisan politics and favor the current mutual security program.

May I also add that this bill will have a reducing effect on the operation of local United States defense production facilities engaged in plane and defense production. In this particular amount there are planned new weapons such as over 400 aircraft and some of them F-100's, P2V7, and S2F antisubmarine aircraft; 17 destroyers and minesweepers, all with the latest electronics and weapons; over 350 tanks; and equipment for 16 battalions of guided missiles and rockets.

Why do you not want our own United States forces and those forces who are allied with us modernized and put into condition so that when these forces stand beside our United States young men they are able to take their part?

As has been stated here, this program is solely to protect against a serious threat which is continuing. Let me say to you that I believe the military is not the place to cut this bill. We members of the Committee on Foreign Affairs have worked on this program over a period of months. We cut the program deeply. Then there has been House action on it with some further small cuts. Then a conference which sustained many of the cuts.

When it comes to the Committee on Appropriations of the House setting the foreign policy, instead of staying within the appropriation limits, I think it is time that we members of the policy committees should oppose such a course. Under the Reorganization Act, it is the jurisdiction of the Committee on Foreign Affairs of the House to implement the message of the President when he sets a national foreign policy and mutual security program which have been agreed upon by both the House and Senate, and I might say by both national conventions of 1956.

I ask any of you who come from an aircraft district or a defense production district whether you want unemployment in your district next year when these cuts will be made? I do not believe you will want to contribute to such a result.

The CHAIRMAN. The Chair recognizes the gentleman from Indiana [Mr. DENTON].

(By unanimous consent, Mr. DENTON yielded his time to Mr. PASSMAN.)

The CHAIRMAN. The Chair recognizes the gentleman from Illinois [Mr. ARENDS].

Mr. ARENDS. Mr. Chairman, so much has already been said that possibly I can add very little to this discussion. But my mind goes back to the days when a former President of the

United States, Mr. Truman, pointed out the necessity of helping our foreign allies if they were to be in a position of strength to carry on this conflict against communism, our common enemy. Many of us then responded. We put our country's best interest first and above all else. We were not acting altruistically, but in our own enlightened self-interest—the safety of our country.

Time and time again the Committee on Armed Services, of which I am a member, of the House of Representatives, comes to the floor of the House with authorization bill after authorization bill, and hardly anyone in this House votes against such defense authorizations. Only a week or so ago we brought before the House a bill authorizing \$1,600,000,000, and I do not recall that anyone raised their voice in opposition to it. Included in that bill were provisions for large funds for an overseas preparedness program in the struggle we are now carrying on throughout the world in a defense setup that will best guarantee our own security and promote the cause of freedom.

I have asked myself in all sincerity, Why do Members of this House vote for \$34 billion for the national defense of our country, vote for authorizations and appropriations for overseas projects that we have and continue to build and then turn around and say we do not want to implement them. I cannot find the answer unless you have determined that our defense strategy, designed to prevent war and, if war comes, to keep it away from our shores, is all wrong. Perhaps you have determined we do not need allies abroad with military strength to resist communism, but that we should rely solely on ourselves, which would involve a defense program costing many, many billions more and not be near as effective.

I believe we are making a serious error in taking away the military support funds so necessary for our own defense, in cooperation with our allies in their defense in coordination with ours in the battle against communism.

I do not quarrel with any Member who has contrary convictions. But if you are opposed to this whole defense program, then you should so vote. Otherwise I ask you to vote for these defense appropriations embodied in this mutual-security bill.

The CHAIRMAN. The Chair recognizes the gentleman from Kentucky [Mr. NATCHER].

(By unanimous consent, Mr. NATCHER yielded his time to Mr. PASSMAN.)

(Mr. HALEY asked and was given permission to extend his remarks at this point in the RECORD.)

Mr. HALEY. Mr. Chairman, I rise in opposition to the bill before us. I have carefully studied the issue at hand, the appropriation of funds for the continuation of the Mutual Security Program, and I cannot give my support to it. I do not believe that this program is any more than a giant giveaway program. I do not believe that we have or can be successful in buying the friendships of the people of other nations. Time and time again we have seen those very peo-

ple whom we tried to help become unfriendly to us because of our aid. On the other hand, we have watched those to whom we have given economic aid become dependent upon our aid rather than strengthening their own economy through our assistance, and becoming economically independent. So, we have been unsuccessful on both counts—that of buying friends, and that of helping these countries become economically strong and independent.

The program of foreign aid began during World War II, and was then strictly a program of lending—not a program of giving. We were not trying to win friends—we were merely fighting a war and trying to save ourselves. This was the beginning of the giveaway—the lend-lease program. Since that time the program has changed from one name to another—namely, the Marshall plan, the Truman point 4 program, the mutual security program, and the Eisenhower doctrine.

Every time the taxpayers of this country have questioned the value of the foreign aid program, the program assumes another name. Every time they begin to question the effectiveness of the program in light of the waste, extravagance, and corruption that has been publicly revealed in the administration of the program, the Congress is asked to reduce the program. However, instead of a reduction, the responsibility of the administration of the program is shifted to another agency, or a new agency is created to administer it.

Even now the taxpayers are not satisfied with the mutual security program. They continue to object to giveaway of billions of their dollars to foreign nations, while our own economy suffers. Recently the American people began such a clamor about this program, its cost and its ineffectiveness, that the President of the United States took to the airways in an effort to regain their support of his so-called mutual security program. From all reports it appears that the President was not successful in his appeal for their continued support of the foreign aid giveaway. The taxpayers are alarmed, and I am alarmed, over the fact that we continue to build up a national debt that we cannot pay—a debt we must leave to future generations for payment if it ever is to be paid, while at the same time we continue to pour annually billions of dollars into the economies of other nations.

My constituents, as well as people from all over the Nation, are concerned over the rapidity with which the Congress is asked to spend money, and does spend money, while at the same time it continues to cut down on the revenue of our Government. We have reached the time when the taxpayers are demanding to know how long these spending sprees will continue. Ten years ago the Marshall plan was formulated. The American taxpayers were then told the job of rehabilitating war-torn Europe would take only \$17 billion and 4 years. At the end of those 4 years and that \$17 billion, where were we? We were just getting started in the foreign aid business. Where are we now? After spending over

60 billions of American tax dollars, we do not have the mutual security the proponents of the program said we would, and now we are told there is no end in sight for the program. The American people have been more than generous with the peoples of foreign nations, but they want to know now where this program will take us and how much more it will cost us.

Many Members of Congress share the skepticism of the people insofar as this program is concerned. Various committees of the House have tried to investigate the claims of waste in the foreign-aid program, they have sought to determine its effectiveness and they have sought to evaluate its benefits. But, these committees have received little assistance from those persons who are responsible for the program. At the same time, other persons who have been associated with the program have frequently maintained that the American taxpayers' money is being squandered and thrown wildly away. The horrible truth is that when waste and extravagance in the program are brought to light and are documented we hear no word of explanation or apology from any responsible persons in the administration.

Mr. Chairman, when we have documented proof of waste and extravagance in any program, I cannot condone such waste by voting funds to continue the program. When we reach the place in any program where we derive only doubtful benefits from the expenditures of billions of American tax dollars, then I am compelled to vote against that program. These are only a few of my reasons for voting against this bill.

The CHAIRMAN. The Chair recognizes the gentleman from Louisiana [Mr. PASSMAN] to close debate on the pending amendment.

Mr. PASSMAN. Mr. Chairman, certainly I am confused over what is happening here this afternoon. Could it be that I was poorly indoctrinated into how to undertake my work here in the Congress? When the Committee on Ways and Means assigned me to the Appropriations Committee it was my understanding that the committee was to have the witnesses appear, the members were to question those witnesses and consider their justifications, and then allow the amount of money that the majority of the committee and the full committee and the Congress decided should be needed to operate a certain program. If I have been incorrectly indoctrinated I am wrong, but if we are supposed to act according to facts and upon the basis of the justifications presented to us by the department heads, then I am on solid ground.

There has been too much dealing in generalities all day long. It seems to me the Members just will not get back to the actual figures. I am going to support this bill. I am going to vote for this bill, and I am going to recommend that all Members do so, because the policy has already been established and I am not trying to fix policy. I want to provide the President the money to carry out the commitments; make no mistake about that. But there have been efforts to

confuse the members of this committee ever since I have been a member of the committee. Particularly have I observed such actions during the 3 years in which I have been chairman of the subcommittee. I was somewhat ashamed of it myself in 1956. I thought I had better pull my flag down and go home; that I was trying to act in a big show; but nevertheless I worked, and I worked hard, and I worked long, and I tried to be just as searching as I could.

Then one evening just before we were ready to report this bill, a letter came down to the subcommittee. The letter said, "You take this, and we take this." I said, "That is a rather fair trade." But, during the next 6 or 7 hours Mr. Stassen conferred with the Director of the Budget. He must have locked the door and put the key in his pocket. The Director of the Budget was prevailed upon to obligate 22 percent of the annual appropriations after 6 o'clock in the evening, because they were to telephone me at 6 o'clock on June 30. That was one of the, shall we say, "cleverest" tricks that they ever tried to come up with. Well, they later admitted it. Then we went to conference, and we were being pushed around by certain individuals about ruining the program, and a messenger came in and said, "Somebody has something to tell you right away." I went out and they said, "The Air Force found out it owes the Mutual Security program a little over \$3 million, and they have a check." So I presented that astonishing fact in conference. The place became just as quiet as at a funeral. We regained our position.

Let us stop dealing with generalities and get down to basic facts. Believe me when I tell you this: We are doing no wrong to the program with this bill. I do not believe there is a Member of this House who will say that he, or she, can prove that these recommendations are not adequate to carry on the program that is planned under the present policy.

I most respectfully direct your attention to the fact shown all through the hearings; it is in the justifications—that show they can spend only \$2.2 billion. Now, do not let anyone confuse you. You do not spend money when you obligate it. You merely obligate it and place orders, and you spend it when a check is drawn. But, all of the money that you have for the program, in the amount of \$5,512,000,000, is for expenditures. Now, it is true that some \$3 billion has already been obligated, but the total to be spent is \$5,512,000,000. So, if this Congress were adjourned and we should not come back here for 2½ years, when you arrived back in Washington after that 2½ year vacation, under the present program there would still be a little money left to be spent.

Now, let us face up to it, and stop building these straw men and knocking them down and building others, and dealing in these generalities.

Mr. WIGGLESWORTH. Mr. Chairman, will the gentleman yield?

Mr. PASSMAN. I yield to the gentleman from Massachusetts.

Mr. WIGGLESWORTH. I want to say that there are several of us standing, who have tried to make it crystal clear that we believe the funds recommended are entirely inadequate, particularly in view of the fact that the distinguished gentleman from Louisiana declines to take into consideration some \$675 million in his figure for estimated obligations in 1957.

Mr. PASSMAN. I have taken all the factors into consideration. I want the gentleman to understand—and I know you are not going to get me off base on this—that this portion of the program has \$5,512,000,000 for which checks are yet to be drawn. And, you can draw it for anything for which you have an order. You can cancel the planes and you can cancel the guns and buy something else. You know and I know that there is \$5,512,000,000 under the bill which we have submitted for your consideration.

I hope that you will vote the amendment down.

The CHAIRMAN. All time has expired.

The question is on the amendment offered by the gentleman from New York [Mr. TABER].

Mr. TABER. Mr. Chairman, on that I demand tellers.

Tellers were ordered, and the Chairman appointed as tellers Mr. TABER and Mr. PASSMAN.

The Committee divided, and the tellers reported that there were—ayes 123, nays 172.

So the amendment was rejected.

The Clerk read as follows:

Defense support: For assistance authorized by section 131 (b), \$585,000,000; and in addition \$36 million of unobligated balances of funds heretofore made available for purposes of section 131 are continued available for the purposes of that section: *Provided*, That not less than \$40 million thereof shall be available for Spain, exclusive of technical cooperation.

Mr. FLOOD. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. FLOOD: On page 2, line 17, strike out "\$585,000,000" and insert in lieu thereof "\$714,000,000."

(Mr. FLOOD asked and was given permission to revise and extend his remarks.)

Mr. FLOOD. Mr. Chairman, in view of the nature of this amendment, I ask unanimous consent to proceed for 5 additional minutes.

The CHAIRMAN. Is there objection to the request of the gentleman from Pennsylvania?

There was no objection.

Mr. FLOOD. Mr. Chairman, I observe in this House a strange and extraordinary juxtaposition. Although I am pleased to see you are not confused, out of an abundance of caution may I explain what I mean. Now instead of criticizing my friends to the left for their magnificent and courageous vote on the amendment of the gentleman from New York, may I say I welcome them to the fold after their many years of dereliction. I say "Hallelujah." They have

been washed in the blood of the lamb, a condition that I have enjoyed on this bill since 1945. But, Mr. Chairman, I look to my colleagues on the right. I saw dozens of you who stood where I stand for 15 years and belabored my friends to the left for their evil. Now, do you fall into that same pitfall at this late date? You did—you did. This is your baby. Dare you say it, nay? This is yours. Do you make this a bastard child? Now, Mr. Chairman, for the purpose of emphasis, I urge you—do not consider me facetious. I had hoped at least 50 more of my friends to the right would have been with us. Now, listen to me on this please. If you will excuse me, you on my left are entirely capable of taking care of yourselves. I have no doubts about my friends on my right. May I say this. All right, forget what you just did on this last amendment. That is over the dam. But this amendment is defense support. Do you know what that is? This is defense support, my friends. Let me read to you what that means in the language of the subcommittee's report. I do not like to read things. I hate to admit it, but I could not say this any better myself. Let me read it to you:

For fiscal year 1958, there is included under this heading "Defense support" only that aid necessary to enable a country to raise and support military forces for the common defense and to assure the maintenance of United States military bases abroad.

You cannot vote against this amendment. Let me show you why. My beloved friends on this subcommittee—and they are a great crowd—but, listen, they are merely asking you to substitute their opinion on this matter. This is a matter of: How many dollars? Do you want to gamble? This is not Las Vegas, with all respect to my friend the gentleman from New Mexico [Mr. DEMPSEY]. Are you going to stand at the green table here? Are you going to gamble with this? You cannot do this. Let me point this out to you, Mr. Chairman—the money in this bill. My friends will come down here and they will say, "Oh, look, look at the unexpended balances. They lied to us, these military charlatans, they did not tell us the truth." I have served on the subcommittee for Defense Department appropriations and I have been through these witnesses, the ones they are talking about, for 10 years. I know the good ones from the bad ones. It may be possible even in this House. There is a little question about those things sometimes. I would not say that—could be. Now these men will talk about unexpended balances. They will talk about unobligated funds. They will confuse with this financial terminology. This is not to be a debate in fiscal semantics—not at all. The Russians say democracy means this. Americans say democracy—the same word—means something else. You know what you can do with figures and statistics, and how they have been described. You cannot use a margin for error on a bill of such merit and debate figures.

I simply say this: I do not quarrel with this subcommittee. I believe deeply in

the purpose of this bill since it was first born. I believe that these figures submitted by the Appropriations Subcommittee will not do what should be done in the pipeline. I do not think I or the subcommittee could ever decide what the necessary figures are. I do not know. I submit not a man in this room knows how many dozen millions of dollars will be necessary in Turkey or in Greece. If war should break out tomorrow you would all be praying that on the Balkan border would be the Greeks; on the Iranian border would be the great fighting Turks. Who do you have in Korea? You want the Taiwanese, you want the Philippines, you want all over that great perimeter of this world, you want those eager, willing little nations. This is the best support. I am asking that you restore these funds that were asked for in your authorization bill. No more. Say to these people: "We will hold up your right hand while you die, while we get ready if necessary to join you." They man the barricades against communism if it attacks. This is the first line, and I want you to give them every dime in the pipeline, unexpended funds, unobligated dollars. Do not be misled by these certified public accountant mumbo jumbos from the General Accounting Office. This rises above that. This is for the world. This is the leading Nation in the world and a leader must lead or quit, Mr. Chairman.

Mr. PASSMAN. Mr. Chairman, I rise in opposition to the amendment, and I ask unanimous consent to proceed for 5 additional minutes.

The CHAIRMAN. Is there objection to the request of the gentleman from Louisiana?

There was no objection.

Mr. PASSMAN. Mr. Chairman, first I should like to thank the distinguished gentleman from New York for clearing up the generalities so that I may be afforded an opportunity to get right down to the facts and figures.

In this particular item there is unexpended a total of \$1,288,196,000 as of June 30, and it is obligated. You cannot do anything about it. What actually happened with reference to the defense? The Members of the House on the Foreign Affairs Committee stated, in effect: "I would not get too excited about that item. The Appropriations Committee will take care of it. It is getting a little late"; they were kind of flattering me a little. But let me give you the facts on this particular item.

The House passed \$500 million, and after a delay of 2 days under some parliamentary maneuver, an amendment was offered, and was adopted, to increase the amount to \$600 million. Then the measure went to the other body, and they had originally passed \$800 million for this item, and the House \$600 million, increasing the sum by \$100 million before it went over there. When this item came back to the House it had been raised to \$750 million.

Your committee has recommended that you appropriate more for this phase of the program than the House originally had agreed to authorize—\$621 million in addition to the \$1,288,196,000.

Now, if you please, you are looking at one item of about \$585 million; but if you will move down to the bottom of the page you will discover that there is shown \$36 million, representing money appropriated last year which they could not use, that lapsed; so we thought we would just take up that \$36 million. Thus, this makes the amount \$61 million, which is \$21 million more than the sum the House agreed to when the authorization bill was passed some 10 days ago.

This information is accurate. No one is going to be able to get any figures other than these, because this is a new item as such. We have had no defense support. You have had a lot of these items, but this time this is defense support only, and that means economic aid; it is a case of merely taking off the calico and putting on the silk.

I ask you to defeat this amendment. We know that with \$1,288,000,000 already available and an appropriation now of an additional \$621 million, the total is more than \$1,800,000,000.

I do not believe seriously my friends on the left are going to oppose this recommendation. Too many of them have agreed prior to this afternoon that \$600 million is all that is actually needed. So I certainly hope you will vote down the amendment.

(Mr. PASSMAN asked and was given permission to revise and extend his remarks.)

Mr. FORD. Mr. Chairman, I move to strike out the last word and ask unanimous consent to proceed for 5 additional minutes.

The CHAIRMAN. Is there objection to the request of the gentleman from Michigan?

There was no objection.

The CHAIRMAN. The gentleman from Michigan is recognized for 10 minutes.

(Mr. FORD asked and was given permission to revise and extend his remarks.)

Mr. FORD. Mr. Chairman, I am glad to rise to support the amendment offered by the gentleman from Pennsylvania [Mr. Flood]. As a matter of fact I had an amendment at the Clerk's desk requesting that the sum be increased to the full amount of the authorization.

I am also glad to observe that the RECORD will show that on defense and mutual security matters the gentleman from Pennsylvania and myself have voted almost identically.

Let us look at the facts in this case. The President's request for this item was \$900 million. The authorization which we passed yesterday calls for the sum of \$750 million. The amendment which I intended to offer would have made this item in the appropriation bill \$750 million. It would have been in addition to the \$36 million which is reappropriated in the bill.

I am convinced beyond any doubt that this item is as important to our defense program as the other item which we just voted on. Let me just take one argument which was made in the previous amendment which is not applicable here in opposition to the amendment.

We have heard about the letter from the Director of the Bureau of the Budget limiting expenditures and limiting obligations in fiscal 1958 to the amounts in fiscal 1957. In that particular case this letter is not applicable because the amounts they are requesting for obligation and the amounts they intend to expend are below the figures in each instance than those in fiscal 1957. So we can forget the suggestion, we can forget the argument they made in reference to the letter of the Director of the Bureau of the Budget.

If you will turn to page 435 of the published hearings on this appropriation bill you will find listed all of the countries which are included in the funds for this year and, in addition, some of the countries which have received funds in past years.

Mr. Chairman, in the program for the fiscal year 1958 there are 15 countries included. Some of those, and they are listed, are Spain, Turkey, Taiwan, the Philippines, Korea, and others. But let us for a moment, if we may, take one of the specific cases which I think illustrates the importance of this program beyond all doubt.

In August 1953 a truce was arranged in Korea. We expected those beyond the truce would abide by the terms of that agreement. We ourselves and our United Nations allies have. But as time went by they did not. They built airfields, they moved in modern aircraft. Finally it got so desperate that about a month ago our military leaders said, "We have to do something or our own forces and the forces of our allies are in peril," as they are. As a consequence, we are now moving in new military equipment. But if we do not approve this amendment, it would be foolhardy, in my judgment, to move in new aircraft and move in modern military equipment because by a reduced figure in this instance you will be pulling the rug out from underneath those who are serving there and in effect destroying the effectiveness of the equipment which we decided less than a month ago was essential for the defense of our forces in that area. You can go to some of these other countries which are mentioned here in this list on page 425.

Let us take Spain. It is my recollection that in the defense appropriation bill for military construction over the years we have made available funds for 2 Air Force bases and 1 Navy base in Spain amounting to something over \$300 million. Are we by any action on this bill today in effect going to make economic conditions in Spain such that it would be unwise for us to man and use those bases in Spain? The economic condition of Spain today is not what we would like it and any unwise action that we take on this provision in the pending bill may well lead to greater deterioration.

Let us take Taiwan. We have invested millions and millions of dollars. We have supplied equipment for some 500,000 or more allies of ours among the Chinese Nationalists. If we reduce this sum to that which is included in this bill we in effect are pulling the plug on

the investments we have made heretofore.

Mr. Chairman, I cannot understand why 1 year, 2 years, 3 years we go boldly forward and take the bit in our teeth and say this is a good program, and we man, equip, and train those who are fighting with us, and then all of a sudden we decide we better pull the plug and back out, losing the benefit of our investment, losing the benefit of our strength and boldness.

Take Turkey, a country on the border of the Communist forces for a good many miles. We have installations in Turkey which are of the most vital importance, not necessarily places for our troops to be, but installations which are just as vital and essential to our security as a barracks on the frontline in some of these other countries. Turkey has been a stanch and steadfast ally of the United States. It is a good investment dollarwise, and if we do not provide sufficient funds to keep their economy strong, to help them man the forces that they are providing along with us, we in effect are destroying the effectiveness of the installations, of which there are none more important to our own security, installations which are relatively close to the enemy whom we detest, whom we hate, and who, we hope, is defeated. And why we, in this instance, cannot go along with the amendment offered by the gentleman from Pennsylvania to help in a small way the protection of those installations and the manning of those stations is beyond my comprehension.

Mr. FLOOD. Mr. Chairman, will the gentleman yield?

Mr. FORD. I yield to the gentleman from Pennsylvania.

Mr. FLOOD. Is it not a fact that 80 percent of the funds about which the gentleman speaks goes to the fighting nations, the 6 nations that he just mentioned, to troops on the line?

Mr. FORD. That is correct. It involves land forces, air forces, and sea forces which are of great importance to us in this great struggle.

Mr. Chairman, as I close, let me say this: This recommendation by the subcommittee of \$585 million is 34 percent below that proposed by President Eisenhower. It is 34 percent below what he recommended. This recommendation by the subcommittee is 20 percent below what was authorized in the bill that we approved yesterday. The amendment offered by the gentleman from Pennsylvania takes it up within \$36 million of what the House of Representatives recommended yesterday.

Mr. Chairman, I hope and trust that the amendment is agreed to.

Mr. GARY. Mr. Chairman, I move to strike out the last word.

Mr. PASSMAN. Mr. Chairman, will the gentleman yield?

Mr. GARY. I yield to the gentleman from Louisiana.

Mr. PASSMAN. Could we reach an agreement on the amount of time necessary to finish this amendment?

Mr. HOFFMAN. Mr. Chairman, reserving the right to object, you are not going to hurry anyone by yelling "Vote."

I will tell you that. Could the gentleman from Iowa and the Member from Michigan get at least 3 minutes? Those in support had an additional 5 minutes.

Mr. GROSS. Further reserving the right to object, we have not objected to these extensions of time. I would like to have at least that much or a little more.

Mr. HOFFMAN. I withdraw my reservation of objection, Mr. Chairman.

Mr. PASSMAN. Mr. Chairman, I ask unanimous consent that all debate on this amendment close in 20 minutes.

The CHAIRMAN. Is there objection to the request of the gentleman from Louisiana?

Mr. GARY. Mr. Chairman, I do not think this requires any great argument. I just want to point out one or two salient facts. You probably will remember when we had the authorization bill on the floor, this House voted first to reduce the Defense Support funds to \$500 million. Subsequently it voted to raise that amount to \$600 million. When the authorization bill left the House it left with a figure of \$600 million in it for defense support. It is true that in conference, the amount was raised to \$750 million. The distinguished gentleman from Ohio stated a few moments ago that the House approved that amount. The House approved the conference report and that was one of the items in it. I dare say if that particular item had been brought before the House alone the House again would have voted for \$600 million.

What does the committee recommend in this bill? It recommends \$585 million for Defense Support plus a carry-over of \$36 million, which makes a total of \$621 million, or \$21 million more than the House approved in the authorization bill.

Mr. Chairman, I do not believe anything further needs to be said on this subject.

The CHAIRMAN. The Chair recognizes the gentleman from Michigan [Mr. HOFFMAN].

(Mr. HOFFMAN asked and was given permission to revise and extend his remarks.)

Mr. HOFFMAN. Mr. Chairman, it is a little difficult to rise in opposition to so distinguished a colleague as my friend, the gentleman from Michigan [Mr. FORD], who lives in the district adjoining mine. He said something about our duty to defend military installations. I wonder if the gentleman has forgotten that on February 16, 1955, in an official report we were told that we had 950 military installations throughout the world outside continental United States. Just how many of those 950 can we successfully defend? Are they all a source of strength or an outpost which will fall with all its materiel at the first attack?

One other point. A policy may be judged just as we judge an article of merchandise after we have used it and tested it. How long have we had this Marshall plan as it has been enlarged or amplified? How many billions of dollars have we put into it? What has been the result? We will remember what the top

Russian said not long ago, that we could spend ourselves into—what was it? Something like dissolution. That is one way to destroy ourselves, by spending. Do you remember what the President said not long ago? He said practically the same thing. That is one thing they agreed on. A warning against excessive spending. But not understanding we go on and on. But let me go back. What has been the result? I have no personal knowledge about what has happened abroad. I know little, if anything, about our financial ability. So I will take the word in this instance of our great President who warned against wasting our resources. I will not vote to do it as would this bill. In spite of all the praise of Ike by my colleague I still do not think he is any better President than was George Washington, or has he any more knowledge of the fundamental, basic principles of national life or security. What did he say, and what did his Secretary of State say earlier this year? Those who advocate this continued spending and who have gone along all the way, what did Dulles and Ike admit? They told us the first of the year that we were worse off on the national stage in the national sphere than we ever were before. That came after two wars, after the spending of uncounted and uncountable billions, which no one can locate.

If you want more of it, that is your business. I want none of it.

The CHAIRMAN. The Chair recognizes the gentleman from Iowa [Mr. Gross].

(Mr. GROSS asked and was given permission to revise and extend his remarks.)

Mr. GROSS. Mr. Chairman, we might be led to believe by statements of the gentleman from Michigan [Mr. FORD] that these particular funds are strictly for defense, that is, defense in the terms that most Members of the House apparently think of it. I want to read from the hearings on this bill. Mr. FORD is addressing a question to Secretary of State Dulles:

Mr. FORD. In other words, this proposal will replace in part defense support, and in part outright grants for economic assistance?

Secretary DULLES. It will replace the part of what is now called defense support which is really a misnomer, because it is really for economic development, and has no particular relationship to defense.

Now I want to read from another document, the report on United States foreign-assistance programs, prepared at the request of the Special Committee to Study the Foreign Aid Program, this being a committee of the United States Senate. The report covers southeast Asia, including Vietnam, Thailand, Cambodia, Laos, Burma, and Indonesia.

I read from the report, and listen to this, for this is where your defense support money goes, in part:

There is one situation requiring prompt action and immediate correction. Conditions which existed at the time may have justified the United States decision to support the currencies of Vietnam, Laos, and Cambodia, at the arbitrary rate of 35 piasters or other local currency to the dollar. Today that figure is

utterly unrealistic, as becomes apparent when we examine the need for monetary reform in Vietnam. The added and unnecessary cost to the United States taxpayer is approximately—

Listen to this, for this is defense support money—
\$20 million a month.

This is American taxpayer money going down the drain. Continuing to read from the report:

This money is not going into public treasuries; it is going into private pockets. Of even more importance, the faith of the newly freed people of the area in the integrity of democratic government is being shaken by the spectacle of the undeserved enrichment of a favored group.

That is defense money we are talking about. That is what you want to increase by the pending amendment, looting the pockets of American taxpayers to the tune of \$20 million a month to stick it into the pockets of money speculators and profiteers in Saigon, Hong Kong, or elsewhere in Asia.

You can vote to increase this if you want to. I am opposed to it.

The CHAIRMAN. The Chair recognizes the gentleman from Ohio [Mr. VORYS].

Mr. VORYS. Mr. Chairman, the gentleman who just spoke is entirely in error if he wanted the House to understand that defense support in this bill, the amount we are talking about, includes any development assistance, long-range economic aid. There is a new definition of defense support this year. I call the attention of the Committee to page 5 of the committee report, which shows that "there is included under this heading only that aid necessary to enable a country to raise and support military forces for the common defense and to assure the maintenance of United States military bases abroad."

Of the 15 countries that obtain defense support we have military bases and installations in 8. Seventy-five percent of this will go to the 5 countries bordering Red China or Russia, Korea, Taiwan, Vietnam, Pakistan, and Turkey. It will go to support 2,100,000 men under arms in those 5 countries. Defense support will go to support the economies of countries that are poor economically, but rich in spirit and in determination, to face and fight, if necessary, the Communists who lie right opposite their borders. Defense support is an essential part of the system that makes us able to secure the economy in our own defense that is represented by this program. You have had pointed out to you the fact that in these poor but brave countries, it costs far less to maintain a soldier than it does for us to maintain one of our men. We do not pay all of the costs of the maintenance of their soldiers. The committee cut this amount to about 33½ percent or roughly a third below the amount requested. The amendment now proposed will still leave it \$186 million below the \$900 million originally requested. So the pending amendment is not an extravagant amount. It merely restores the amount the House approved on yesterday, and I beg the House to approve it again today.

The CHAIRMAN. The Chair recognizes the gentleman from Missouri [Mr. CARNAHAN].

Mr. CARNAHAN. Mr. Chairman, the new obligatory authority requested by the President in his budget message for fiscal year 1958 was \$73.3 billion. The authorization for mutual security that has been enacted into law is \$3.3 billion, or 4½ percent of the total budget. The amount of \$2.5 billion reported by the Appropriations Committee is 3½ percent of the total budget.

When foreign aid started in 1949, our gross national product was \$257.3 billion. Foreign aid in that year was 2.4 percent of the gross national product. Our gross national product is now estimated at \$424 billion. At the same time our foreign aid expenditures have gone down so that they are now slightly less than 1 percent of our gross national product.

Critics of the mutual security program call it a giveaway program. This characterization is apparently based on the unfounded assumption that the United States hands out checks each month to foreign governments much as it pays the Federal employees.

Nothing could be further from the truth. In the period from April 1948 to June 1956, more than \$29.7 billion was expended under the mutual security program. Twenty-three billion dollars, or 78 percent, was spent in the United States for our own commodities. More than \$2.5 billion of cotton, \$1.7 billion of bread grains, about \$1.8 billion of machinery, \$382 million of coal were bought in this country with mutual security funds. To ship the nonmilitary purchases overseas, ICA and its predecessor agents paid more than \$884 million to United States ship owners—74 percent of the total ocean freight expenditures for nonmilitary aid shipments. In addition, hundreds of millions of dollars were paid to American personnel, contractors, and universities for services in connection with the program.

Economic assistance does not build up injurious competition with American industry. In the earliest stages of development, the basic facilities, such as roads, bridges, health programs and education offer no competition to United States industry. In later stages of development the output of goods and services are consumed principally in the country itself. The introduction of American methods and machines provide continuing markets for American products.

Our own industrial growth is dependent upon the industrial development and health of other countries. Production for foreign aid is intertwined with production for normal commercial channels. A dependable estimate is that about 600,000 individuals here at home are dependent upon the mutual security program for their employment.

The CHAIRMAN. The Chair recognizes the gentleman from Maine [Mr. COFFIN].

(Mr. COFFIN asked and was given permission to revise and extend his remarks.)

Mr. COFFIN. Mr. Chairman, I have listened to a great deal that has gone on today and a great deal of what went

on yesterday. This Chamber is a source of ever-developing mystery for me. Yesterday I heard Members on both sides of the aisle join in a sort of unprecedented praise for the conferees on the authorization bill. You will remember that the other body receded some 21 times; we receded 4 times, and came to agreement on 6 other items. The situation had deteriorated to such an extent that Members of the other body were prone to levy some accusation at us. In other words, for a moment we seemed to have the other body on the run.

The gentleman from Virginia, whom I respect and admire very much, has just made the point that this amendment calls for a restoration of defense support back to what the conferees agreed upon and that that was too bad, because that was over what this body originally voted. Has it not occurred to you that with our conferees operating so effectively they would not have come out with that figure unless there had been some very good reason for it?

Could they have been so right yesterday and so wrong today?

I think the answer is that they were right in giving sober reflection to this particular item of defense support. It is something that the gentleman from Michigan has so very well said, that we could not play around with. This is in a sense even more important than military assistance, because this is a defensive dike that is needed even before we can consider using retaliatory forces. This supports Libya, Ethiopia, Morocco, Spain, and the Philippines where we have military bases, and it helps support over 2 million troops in Taiwan, South Korea, and Vietnam.

We follow the proceedings in London and we hope our negotiators are going to do a good job; but I tell you, Mr. Chairman, that at this particular time we may be involved in some unilateral disarmament if we cut this item of defense support.

I urge the support of this amendment in particular.

The CHAIRMAN. The Chair recognizes the gentleman from Pennsylvania [Mr. FULTON] for 3 minutes.

Mr. FULTON. Mr. Chairman, I rise in support of this amendment, and I do it because of the security of the United States. When this Congress can appropriate money, a little over \$700 million and keep in the field over 2 million troops of our allies, to me it would be shortsighted not to do it.

This defense support is not economic aid. You heard the gentleman from Iowa [Mr. GROSS] speak of supporting the currencies of various countries. He was speaking of currencies that were being depreciated because of the fact that the budget of those countries contained so much military expense that it is using up many of the commodities in the country and, therefore, causing inflation. So, in order to keep those troops in the field we must supply them the wherewithal to purchase fuel, uniforms, and provide local installations. We must make up in the economy what has been taken out of it, or the economy and the country will be imperiled by inflation.

Mr. GROSS. Mr. Chairman, will the gentleman yield? We have a little deficit in this country, too.

Mr. FULTON. Under the good Eisenhower administration policies, of which this is a part, the gentleman is in error, there is a Government budgetary surplus.

We have heard that there has been a move by some of our allies and friends to cut their troops and defense. We cannot start a retreat of the United States forces and security. That will pull down our allies as well. For defense support, the original authorization request was for \$30 million for Europe, that is Greece and Spain, and I am sure none of us wants to cut them; the Near East, southeast Asia, and Africa, \$202 million; the Far East and the Pacific, \$668 million, in order to keep defense troops in the field. Unless we make available to our allies the necessary equipment, unless we help sustain them, and help our allies keep their troops in the field, we are engaging in unilateral disarmament of the free world, and this will be the signal for our friends and allies to do likewise.

So I ask you to consider for the security of the United States of America what the House Foreign Affairs Committee recommended after we had studied this matter for many months and in many hearings. We are interested in economy, but this is not the place to cut, where it vitally affects the security of the United States and the free world.

I hope you will support the amendment.

The CHAIRMAN. The gentleman from Louisiana [Mr. PASSMAN] is recognized to close the debate on the amendment.

Mr. PASSMAN. Mr. Chairman, I shall be just as brief as possible. This is, in effect, economic aid. I will read where some of the items for defense support will be spent and you can make up your mind whether or not it is economic aid: Agriculture, natural resources, industry and mining, transportation, labor, health, sanitation, education, public administration, community development, social welfare, housing, general, and miscellaneous items. That is only a part of the list. If that is not economic aid, I will have to get a new Webster's.

Mr. Chairman, I want to state for the benefit of the committee that your committee is recommending that you appropriate \$21 million more than the Committee on Foreign Affairs asked for when the authorization went over to the other body. They agreed to \$600 million. We are appropriating \$585 million plus, or a total of \$621 million.

With what we are recommending there will be \$1,909,000,000 for defense support.

Mr. Chairman, I ask the Members to vote down the pending amendment.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Pennsylvania [Mr. Flood].

Mr. FLOOD. Mr. Chairman, I demand tellers.

Tellers were ordered, and the Chairman appointed as tellers Mr. PASSMAN and Mr. Flood.

The Committee divided; and the tellers reported that there were—ayes 113, noes 116.

So the amendment was rejected.

The Clerk read as follows:

Development loan fund: For advances to the development loan fund as authorized by section 203, \$300 million, to remain available until expended;

Mr. WIGGLESWORTH. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. WIGGLESWORTH: On page 3, line 2, strike out "\$300,000,000" and insert "\$500,000,000."

(**Mr. WIGGLESWORTH** asked and was given permission to revise and extend his remarks.)

Mr. WIGGLESWORTH. Mr. Chairman, this is a very simple amendment. All it does is to restore to the new development fund, the figure which was carried in both versions of the authorization bill and in the conference report approved by the House yesterday.

Mr. Chairman, I repeat, as I think we all appreciate, that the chief criticism of the mutual-security program has been in the economic field.

There have been too many projects. There have been too many ill-considered projects. They have been based on illustrative programs that have been unsatisfactory all around. There has been too much personnel and resulting waste and extravagance.

What happened last summer?

As a result of criticism, various committees of investigation were appointed on behalf of the President, on behalf of the Senate, and on behalf of this House.

As a result of the investigations, the administration came up with a brandnew program in the field of development assistance.

It provided for a fund which is limited to making loans.

It was designed to bring about increased economy and efficiency, to put economic aid on a more businesslike basis, following in general terms the principles of the Export-Import Bank.

It was designed to substitute loans for grants, to provide financing under which repayment would be possible as compared with the present system where there is no repayment.

It was designed to eliminate the unsatisfactory illustrative programs, to substitute specific projects under specified criteria and to base appropriations in the future on known performance in the past rather than on unknown performance in the future.

In my judgment the plan offers the possibility of very great improvement.

To operate this plan, there must be a capital fund, as in the case of a bank. You cannot operate from day to day. You have got to have a fund in respect to which you can plan long-term loans.

The original request, as you will recall, was for a capital fund of \$2 billion to be derived over a period of 3 years. As a result of the authorization bill there is a maximum authorization of \$1,125,000,000 to be accumulated in 2 years, \$500 million at this time and \$625 million a

year hence subject, of course, to appropriations.

The \$500 million figure, which, as I say, was carried in both versions of the authorization bill and in the conference report approved only yesterday has been slashed by your committee to \$300 million, a slash of 40 percent in spite of the fact that there was obligated in fiscal 1957 about \$410 million in the field of development assistance.

I think the cut is too drastic.

I merely suggest restoring the \$500 million to the fund, the figure all along the line up to this time.

In closing I quote again from the press release from the White House this morning in which it is said that—

The President states that the cut proposed in the development loan fund, a 40 percent cut, makes impossible the realization of the important purpose for which the fund was established by the Congress.

We had better determine whether we are going to have any development assistance or not. If we are, the development fund, in my judgment, deserves a fair trial as a part of the overall program; and we had better give it sufficient funds to operate with.

The funds will not all be obligated in the next 12 months. But they will allow the fund to make long-range plans, which is the fundamental objective of the fund.

I hope the amendment will be adopted.

Mr. PASSMAN. Mr. Chairman, I rise in opposition to the amendment.

Mr. Chairman, I must not trespass upon the patience of the House any longer. There is \$300 million in this special development loan fund. That is more than many of the Members wanted. In addition thereto, there is \$96 million in the Asian fund. So there are adequate funds to carry on this program. And, of course, they remain available until expended.

Mr. Chairman, I trust that the committee will vote down this amendment.

Mr. HAYS of Arkansas. Mr. Chairman, will the gentleman yield?

Mr. PASSMAN. I yield to the gentleman from Arkansas.

Mr. HAYS of Arkansas. Mr. Chairman, I appreciate the gentleman's courtesy in yielding to me and in an effort to cooperate with him in closing the debate as early as possible I shall not move to strike out the last word or seek any time. I realize the gentleman has good reasons for asking us to proceed with dispatch.

I am sure the House, with the lengthy debate that we have had on this and other issues that have been presented, is prepared to vote on the amendment. I had prepared an amendment somewhat similar to the one offered by the gentleman from Massachusetts [Mr. WIGGLESWORTH], although mine carried \$400 million as representing a more reasonable cut, representing only a 25 percent reduction in the authorized figure. However, it seems to me that the committee cut is too drastic and I hope Members will weigh the arguments advanced by the gentleman from Massa-

chusetts. I will support the amendment.

Mr. Chairman the loan development fund is an exceedingly important new approach to the problems of strengthening the economies of the new nations now struggling to maintain independence and to make a contribution to the cause of freedom.

The Soviet Government is challenging us in a new economic competition. In the last 2 years that government has aided a selected group of undeveloped nations to the extent of \$700 million. The United States must counter these Soviet efforts.

We can succeed, not by outbidding communism in sheer amounts of economic aid, but by making newly independent and newly articulate peoples feel that they can best satisfy their wants by becoming and remaining part of the community of free nations. But they must have help in a way that preserves pride and confidence. Loans, not grants, should be our policy.

We have a proven experience in this field and should welcome the competition. One way to win is to inaugurate the loan fund with an adequate appropriation.

Mr. CARNAHAN. Mr. Chairman, I move to strike out the last word.

Mr. Chairman, one of the most important elements in the mutual security program is the development loan fund. It is intended to provide the foundation on which we will build our relations with the peoples of the underdeveloped areas of the world. It provides the basis for shifting our economic aid operations from a grant basis to a loan basis.

I am convinced that if the development loan fund operates as it is intended, it will make the world 20 years from now a better and safer place for all of us to live in.

But we have to give the fund a chance to work, and I do not believe that the appropriation in this bill is large enough to permit it to work.

I am fully aware that the development loan fund will be slow in getting into operation. It is desirable that this should be so, and it is intended that the fund will be administered with deliberation and caution. I know that not very much of this appropriation will be spent the first year.

Nevertheless, we need an appropriation of \$500 million at the beginning. We need enough so that we can enter into firm commitments with a large number of nations for a large number of projects.

We do not want to say to the people of the underdeveloped areas of the world, "Bring us your small problems and we will help the few of you which we select." We want to be able to say to all of these people, "We are your friends; we are ready and able to help; look to us first."

We need an appropriation large enough to encourage the underdeveloped countries to come to us and to begin to plan and work with us. We intend to go slowly, to be sure that planning is carefully done and that we do not build faster than the necessary social and legal adjustments will permit. We want

to disburse the money slowly, but it is vital that when we open up for business we have the resources to do the job. If negotiations proceed slowly the first year, we can make adjustments in the appropriation for next year, but we should have a chance to start on the right basis.

At this point I want to read into the RECORD a letter I recently received:

INDEPENDENCE, Mo., August 8, 1957.

Hon. A. S. J. CARNAHAN,

United States House of Representatives, Washington, D. C.

DEAR CONGRESSMAN CARNAHAN: I am glad to give you my views on the development loan fund. I think it is an excellent proposal and deserves the strongest support.

If we are to keep the billion people and many new nations in the underdeveloped areas of the world on the side of freedom, we must help them in their efforts to move forward. The development loan fund is the most practical idea to do this which has been advanced. I regard it as a valuable and necessary supplement to the point four program of technical assistance.

As you know, the essential ideas involved in the loan fund have been developed on a bipartisan basis in a number of studies by able private citizens, by the Senate Special Committee on Foreign Aid and by the House Foreign Affairs Committee. The fact that the specific proposal has been advanced by the Eisenhower administration should not lessen the support of any Democrat for it. I have always taken the position that the mutual security program—which is absolutely vital to our own security—should be supported on a wholly nonpartisan basis. I believe that in this matter President Eisenhower also supports that bipartisan attitude.

I hope that on this program Democrats in the Congress will also lay aside all partisanship and support it vigorously—especially those Members on whom I could always rely for traditionally strong backing of sound foreign policy measures.

I particularly hope that they will support the 2-year provision agreed upon by the conferees. It seems to me to be a perfectly sound method of financing this sort of a loan fund over a bare minimum period if the fund is to have the assurance of continuity it ought to have.

Sincerely yours,

HARRY TRUMAN.

Mr. VORYS. Mr. Chairman, will the gentleman yield?

Mr. CARNAHAN. I yield to the gentleman from Ohio.

Mr. VORYS. Mr. Chairman, sometimes people say that these loan programs are giveaway programs. May I remind the House that out of \$15 billion of loans and credits since World War II we have been paid back already in principal and interest \$6,170,000,000, "which ain't hay," and which shows that this loan program presents the possibility of putting our foreign aid on a more businesslike basis.

Mr. Chairman, I hope the amendment will be adopted.

Mr. PASSMAN. Mr. Chairman, I move that all debate on this amendment and all amendments thereto close in 8 minutes.

The motion was agreed to.

The CHAIRMAN. The Chair recognizes the gentleman from Wisconsin [Mr. SMITH].

Mr. SMITH of Wisconsin. Mr. Chairman, I have asked for this time to ask a question of the chairman of the subcommittee. Will the gentleman advise

the Committee whether or not there appeared before his committee any witnesses who testified as to a specific plan of operating this so-called development loan program?

Mr. PASSMAN. I might state that they did not. I might further state that Mr. Fairless, when he appeared before this committee, recommended strongly against this type of loans, and I think he said in the hearings, you might as well have a box of rocks as the soft currency. Mr. Fairless did not appear before the Committee on Foreign Affairs, but he did appear before our committee and he said he recommended against the soft currency loans and that they should be discontinued immediately. The membership understands that this is not a loan.

Mr. SMITH of Wisconsin. That answers my question. No one appeared before our committee to justify a plan, and that was the purpose of my question to the gentleman from Louisiana. There is no plan, no program, and yet they are asking for \$500 million—for what? For soft loans. Soft loans are gifts in disguise. The gentleman from Ohio said a moment ago that a fine record had been made on this loan program. But, I think the gentleman from Ohio would agree with me that that kind of loan is a different kind of loan than what is proposed in this program. I agree with the gentleman that we have had a fine record, but this is not a loan program. It is a giveaway.

The CHAIRMAN. The Chair recognizes the gentleman from Illinois [Mr. O'HARA].

Mr. O'HARA of Illinois. Mr. Chairman, I am, indeed, grateful that in its great generosity, the committee is according 8 minutes for a discussion of the part of this bill of appropriation that has to do, not with the means of killing men in war if necessary, but in helping them to live in peace by building into healthy economics the lands in which they dwell.

I do not know how much we are getting from buying arms, and scattering them among the nations of the earth. I doubt that nations live alone by arms. What we do we justify by our will to protect the security of our Republic from men of evil hearts.

But, I do know there is hope in economic development of lands less favored than our own and I believe that the redevelopment-loan program is thoroughly sound. But how can you convince anyone in 2 minutes against his own inclinations and I am fearful prejudiced against what is proposed by confusion with a program it is intended to replace?

So I turn back the remainder of my time in order that other Members may have ample time to express themselves. The committee has shown such amazing liberality by voting a total of 8 minutes of debate that there is at least 1 second of time available for each Member to get his argument across, provided all desire to speak.

The CHAIRMAN. The Chair recognizes the gentleman from Iowa [Mr. GROSS].

(Mr. GROSS asked and was given permission to revise and extend his remarks.)

Mr. GROSS. Mr. Chairman, of course, as the gentleman from Wisconsin [Mr. SMITH] well said, these soft loans are giveaways in disguise. The gentleman from Ohio [Mr. VORYS] spoke of the repayment record on the \$16 billion in loans already made by established international lending agencies. As long as we shovel the dollars out all over the world, they will pay something on the loans, but cut off the dollars and watch what happens. The Export-Import Bank, according to an item in the papers recently, reports that they put out a billion dollars in loans last fiscal year alone. How much of the American taxpayers' money do you want to hand out to nations all over the world? Let us see what the Secretary of State thinks about this soft loan policy. You have read it in the papers, but let me refresh your memories. In questioning Mr. DENTON before the Committee on Appropriations, this is the testimony:

Mr. DENTON. What I am thinking about you are accomplishing it now, but what will be the effect when the loan comes due and you cannot pay the soft loan. Will we accomplish our purpose then?

Secretary DULLES. I do not know. That will be a problem for some other Secretary of State, not me.

Now, if the Secretary of State has no more confidence in this soft-loan plan than to give that kind of an answer, I want no part of it. That is like saying it makes no difference how much money we spend today as Members of the House of Representatives, we will load it onto the backs of future generations to pay for our folly. We discharge our responsibility simply by voting for the spending. That is the attitude the Secretary of State, and I am opposed to this amendment to add another \$200 million to this bill for the purpose of making uncollectible loans because I have at least some responsibility to the people I represent.

The CHAIRMAN. The Chair recognizes the gentleman from Minnesota [Mr. JUDD].

Mr. JUDD. Mr. Chairman, the charge that these loans are soft loans is not new. From the beginning, some have made the same charge, namely, that nothing will come back. Yet it is out of some \$15 billion worth of just such loans that more than \$6 billion has been paid back. If future Secretaries of State will have the problem of collecting these loans, please remember that the present Secretary of State has the problem of collecting on loans made by previous Secretaries of State. That is the normal procedure in our country and the collections have been good.

Now, why is this development loan fund proposed? Not to increase the number of loans, but to improve the methods of making them. It is designed to correct the things which get such criticism here in the Congress.

Our military aid is for the purpose of strengthening the armed forces of threatened countries so that they can hold back the enemy and defend their own independence; defense support is to

enable them to maintain and keep in the field those forces which we have spent literally billions of dollars to arm. But at best, all these do is to buy time. For what? Time for the economies of those countries to be developed so that they can get on their own feet and each year provide more and more of their own support, the support we now are furnishing.

Those who object that they are on our backs are the very ones who should vote for this development loan fund. It provides the best hope of getting them off our backs, so that we will not have to appropriate these large sums every single year to keep them going.

Some complain because they are not able to support themselves; yet when we come along with a sound proposal to make it possible for them to support themselves, the critics are equally against that. If you do not want to increase defense support, then you ought to vote for this amendment and increase the capital of the development loan fund. If you do not want an adequate loan fund, then you ought to expect to appropriate large amounts for defense support as far ahead as one can see.

Again, if the ICA does not spend all the money it has for loans by June 30, it is accused of having asked for more than it needed; if it does make, by June 30, all the loans it has money for, then it is condemned for having made some that are not adequately considered. That is inherent and inescapable in the procedure we have been following. Do you not want to correct that bad situation?

I was grateful to the chairman of the committee, the gentleman from Louisiana [Mr. PASSMAN], when he assured us last week that he would go along without fiscal year limitation on this development loan fund. The fund, like a bank, has to have initial capital that it can count on. It cannot loan out all its capital in less than a year. It has to know what it has—I hope \$500 million, but if the gentleman's bill prevails, at least \$300 million that it does not have to loan by June 30 of next year, or have it revert to the Treasury.

Mr. PASSMAN. Mr. Chairman, will the gentleman yield?

Mr. JUDD. I yield.

Mr. PASSMAN. And the bill was reported on that basis.

Mr. JUDD. That is one step ahead; that is real progress, and I appreciate it. Now I hope the gentleman will take the next step and provide an adequate amount. I have no idea whether it will be able to work out suitable projects on which to loan \$300 million by next June 30, or even \$250 million. It needs time and continuity so that it can operate more like our Army engineers; they can take time to study each project carefully, analyze it without having to meet a deadline. This fund ought to have enough capital for long enough time so that it can make a loan when the managers are convinced it is sound or necessary; and not make the loan unless they are convinced it is sound. We want them to make loans on the basis of individual projects—not country-level programs, as heretofore. We want to get them in a position where we can judge them by past performance, not by

general promises or plans for the future.

I agree that probably between now and next June 30, it may not make many loans, probably not more than \$300 million. But they cannot make any loans intelligently unless they have a long-range program with assurance of adequate funds. If we are against waste and want economic aid to be on a businesslike basis, we should vote for this amendment to increase the capital to \$500 million.

The CHAIRMAN. The time of the gentleman from Minnesota has expired. All time on this amendment has expired.

The question is on the amendment offered by the gentleman from Massachusetts [Mr. WIGGLESWORTH].

The question was taken; and on a division (demanded by Mr. JUDD) there were—ayes 101, noes 149.

So the amendment was rejected.

The Clerk read as follows:

Technical cooperation, general authorization: For assistance authorized by section 304, \$113 million; and in addition not to exceed \$12 million of unobligated balances of funds heretofore made available for purposes of section 304 are continued available for the purposes of that section;

Mr. YATES. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. YATES: Page 3, line 5, strike out the figure "\$113,000,000" and insert in lieu thereof the figure "\$139,-900,000."

The CHAIRMAN. The gentleman from Illinois is recognized in support of his amendment.

Mr. YATES. Mr. Chairman, I hear the voices demanding a vote and I know what the fate of my amendment will be. Yet I cannot permit this part of the bill to go by without offering this amendment and without commenting even briefly in support of it.

Throughout the debate today we have heard speaker after speaker express concern about lessening the military power of the United States. The preceding amendments, with the exception of the one pertaining to the development assistance fund—and debate on that amendment was limited unduly—have sought to restore slashes in the military potential of ourselves and our allies. The defense support amendment, even though it offers some economic aid, places emphasis, too, upon supporting the military. No mention at all has been made of the fundamental might of the United States, namely, our spiritual values, the truths which we hold dear.

What is the most effective way to fight communism? Is it on the lines with belligerent troops facing each other? Is it the might of armies and the most advanced weapons? Certainly, this is important, for military power is essential to restrain military aggression. The fact remains that we want peace and the world wants peace. We must never lose sight of the fact that our goal is peace, and we must not permit the impression to be conveyed to the peoples of the world that we are not a peace-loving people. With peace as our standard, we wage the most effective type of war against communism.

And that is the purpose of my amendment—to wage war against communism in men's homes, in their local communities through peaceful efforts designed to eradicate poverty to the greatest extent possible, to eliminate the feeling of discrimination.

Our spiritual values have made our Nation great, not only in the eyes of Americans but in the eyes of the peoples of the world. Our Declaration of Independence is a symbol of freedom for the world. "We hold these truths to be self-evident: that all men are created equal, that they are endowed by their Creator with certain unalienable rights," stir the peoples of other nations as well as all Americans. We make a mistake when we believe that in the battle for men's hearts and men's minds, a favorite phrase for all of us, we permit the eternal truths of America to be forgotten. This is a battlefield where victories are as important as military victories.

I firmly believe that much of the difficulty we encounter in the world today arises through our own overemphasis on military power. We have searched for bigger and better bombs. Now we are looking for a clean bomb. So much emphasis appears to be on weapons. We have not talked enough about helping the underprivileged peoples of the world achieve the freedom which they seek and the elimination of the grinding poverty under which they live.

My amendment protects the point 4 program, the technical assistance projects under which we send soldiers of peace among the peoples of the world to work with them in the fields, to administer to their ills, to improve their communities, and to fight famine. This program has proved to be a major weapon in America's anti-Communist arsenal. Through this program, we send shirt-sleeved diplomats abroad to work with the people and to propagandize the good will and help of America where it counts most—on a person-to-person basis. Incidentally, this is exactly where the Communists are working—among the downtrodden people.

This program is being expanded this year to include six new countries—Argentina, Burma, Ghana, Tunisia, Morocco, and Libya. It moves the point 4 program where it should be among the awakening peoples of Africa, an area in which the United States has a critical interest. If the committee's reduction stands, this program—America's message of peace among the peoples of the world, will have to be curtailed. Let us not jeopardize our best foreign aid operation in the name of economy.

This program is the material embodiment of the truths which America holds to be self-evident. I urge approval of my amendment.

(Mr. YATES asked and was given permission to revise and extend his remarks.)

FOREIGN AID PROJECTS AND PERSONNEL

Mr. CARNAHAN. Mr. Chairman, I arise in support of the amendment.

Information supplied the Committee on Foreign Affairs showed that our Government is engaged in more than 2,100 projects around the world. These projects utilize United States technicians,

equipment and supplies and include the training of local citizens. More than 3,500 Americans are employed directly by ICA in its overseas posts. Add to this about 1,700 who are employed by United States contractors paid from ICA funds. With few exceptions these Americans and their families are living in a local environment quite different from our own. They are people with professional training who, in their conduct and attitudes, project American ideas at the grassroots level. I have seen some whom I think do not measure up to their responsibility. But I have seen far more who reflect the greatest credit on our country and the programs in which we are engaged.

Similarly, the Congress and the country have been told about the shortcomings of some projects. But no committee, and no Member, has made a detailed study of each of the more than 2,000 projects. The criticism leveled against a few projects, much of it magnified disproportionately by those who are against the whole program, should not obscure the solid accomplishments which many of us, in our visits abroad, have witnessed. What is most needed in a proper evaluation is a sense of balanced appraisal that weighs the intangibles as well as the tangibles. It is the more elusive intangible elements that often throw light upon the results.

SUPPORT FOR THE PRESIDENT

The President is to be complimented on his unusual public appeal to the Congress to vote substantially all the money he has requested as essential to the security, peace, and prosperity of the Nation. Unless this sum is forthcoming, the President, out of necessity, may have to call Congress back for a special session to provide more money for the economic and military buildup of the free world against the continuing Communist threat.

I am pleased that the President recognizes the importance of the mutual-security program to our peace and security. But I regret that he has not maintained a vigorous and persistent educational effort with the American people. Nonetheless, we must not weaken or abandon a program which has already strengthened the world economy, brightened the future for free people and enhanced the security of democratic nations.

International communism is constantly probing to discover and exploit weak points within the free world. We must be prepared to meet this challenge whenever the liberty of free people is jeopardized by our common enemy.

We are all aware of the problem and needs of the friendly nations in the various areas of the free world. The free world looks upon our Nation for leadership and the consequences of what we do or fail to do with respect to the mutual-security program reach far beyond our own national frontiers.

The world today is one in which we and our friends cannot relax our collective efforts for stability and security. There is no basis for any hope that the long-range objectives of international communism for world domination have been abandoned.

It is my conviction that this program is a fundamental and essential aspect of the conduct of our foreign policy today. It was begun 10 years ago by Americans of all parties, all races and all occupations. This is not the time to abandon this program when international communism threatens our national security.

I strongly urge the executive branch to submit their recommendations for next year's mutual security program not later than February so as to avoid further delays in this very important legislation.

(Mr. CARNAHAN asked and was given permission to revise and extend his remarks.)

The CHAIRMAN. The question is on the amendment offered by the gentleman from Illinois [Mr. YATES].

The question was taken; and on a division (demanded by Mr. FULTON) there were—ayes 103, noes 130.

So the amendment was rejected.

The Clerk read as follows:

United Nations expanded program of technical assistance: For contributions authorized by section 306 (a), \$15,500,000: *Provided*, That the United States contribution to the 1958 calendar year program shall not exceed 33.33 percent of the United Nations program;

Mr. BUDGE. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. BUDGE: On page 3, line 11, strike out "\$15,500,000" and insert "\$9,450,000."

Mr. BUDGE. Mr. Chairman, on this page of the bill there are three technical-assistance programs for which funds are appropriated. The first is the United States program, the second is the United Nations program to which this amendment refers, and the third is the technical-cooperation program for the American States.

In the United Nations program the bill now before us has this proviso:

Provided, That the United States contribution to the 1958 calendar year program shall not exceed 33.33 percent of the United Nations program.

The other nations have contributed to this program the total sum of \$18,900,000 for the calendar year 1958. Obviously the United States contribution under the very language of the bill is limited to one-half of \$18,900,000 which is \$9,450,000, the amount contained in my amendment. It is a matter of simple arithmetic and the extra \$6 million should not be appropriated.

Mr. Chairman, I hope that the amendment is agreed to.

Mr. PASSMAN. Mr. Chairman, I rise in opposition to the amendment and ask for a vote.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Idaho [Mr. BUDGE].

The question was taken; and on a division (demanded by Mr. BUDGE) there were—ayes 63, noes 145.

So the amendment was rejected.

Mr. GROSS. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. Gross: Page 3, line 15, after the word "program" strike out the semicolon, insert a colon, and add the following:

"Provided further, That a reasonable amount of the funds provided herein may be used for the underdeveloped areas of the United States of America where women's wearing apparel is made from feed bags, such funds to be made available to and distributed by the University of Pennsylvania."

Mr. PASSMAN. Mr. Chairman, I am constrained to make a point of order against the amendment on the ground that it is legislation on an appropriation bill.

Mr. GROSS. Would the gentleman reserve it, please?

Mr. PASSMAN. I reserve the point of order, Mr. Chairman.

Mr. GROSS. Mr. Chairman, I will not take but one minute. I came across an item the other day that reads as follows:

UNIVERSITY PARK, PA.—Clothing specialists at Pennsylvania State University say women annually convert more than 100,000 cotton bags into gresses. The 100-pound feed bag, which contains 1½ yards of reusable fabric, is the most widely used for home sewing.

Mr. Chairman, if a report reached this country that 100,000 women in some foreign country were wearing feed-bag dresses, I have no doubt that some bureaucrat in Washington would immediately organize a small army of do-gooders, and arm them with a few million dollars to see that they were equipped with the latest style cotton dresses.

It occurred to me that out of the \$15 million here being appropriated to the United Nations that perhaps we might take care of the 100,000 women in those underdeveloped areas of the United States who seem to be wearing feed-bag dresses.

I concede the point of order, Mr. Chairman.

The Clerk read as follows:

Special assistance, general authorization: For assistance authorized by section 400 (a), \$175,000,000: *Provided*, That not less than \$5,000,000 shall be available for Guatemala;

Mr. MILLER of Maryland. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. MILLER of Maryland: Page 3, line 18, strike out "\$175,000,000" and insert "\$250,000,000."

Mr. MILLER of Maryland. Mr. Chairman, I realize that the hour is late but I would appreciate it if the committee would pay attention because this is, I believe, a serious item, and I would not have brought it up this late in the evening if I did not think it was of national importance.

The amendment I have offered can be briefly explained as follows: The special assistance fund payable to the President to take care of emergencies and contingencies that may arise in the future, as well as some already programmed, the request was made for \$300 million. The Congress in its wisdom, in the bill passed yesterday, authorized \$250 million. The present bill carries only \$175 million of which over \$100 million has already been programmed.

This is a fund provided the President. It is for emergencies and it has special features. It is to take care of things that have to be done on short

notice. Probably the most dramatic effect of the similar fund that has existed in the past was that it made it possible for us to save the situation in Iran and in Guatemala, just a few months ago. The President, in this bill, would have less than \$75 million to meet contingencies or sudden emergencies. The money will not be spent if the emergencies do not arise. Certainly we can trust the President to use the funds only when they are needed.

The release that has been circulated here from the White House today says that:

A cut in this special assistance fund will seriously reduce the reserve funds hitherto provided to the President to meet emergencies which inevitably develop in the world we live in today.

In the past we have had \$250 million in that fund. I think it would be most shortsighted and perhaps foolhardy to limit that important feature of this bill.

Mr. JUDD. Mr. Chairman, will the gentleman yield?

Mr. MILLER of Maryland. I yield to the gentleman.

Mr. JUDD. Is it not true that in the \$100 million that is already programmed is aid for countries like Tunisia, a new republic just getting started; Israel, Afghanistan, Guatemala, Bolivia, and various other Latin American countries, and the Hungarian refugees?

Mr. MILLER of Maryland. Yes; and the very important malaria program. There are many things that might happen in these coming months where the ability to spend considerable sums immediately might be vital to the national safety. So I hope this amendment will be approved.

Mr. JUDD. And the gentleman's amendment restores to the President only what he has had each year for all these years and which has never been misused.

Mr. MILLER of Maryland. Not only that which he has had and which has never all been spent, sometimes very little of it spent. Two hundred and fifty million dollars was authorized only just yesterday by the Congress and I see no excuse for reducing it at this time. It cannot be spent unless the President decides it is in the public interest and I am sure we can trust his judgment.

Mr. PASSMAN. Mr. Chairman, I rise in opposition to the amendment.

(Mr. PASSMAN asked and was given permission to revise and extend his remarks.)

Mr. PASSMAN. Mr. Chairman, the President's special fund last year was for only \$100 million. It is not clear why they should request such a large amount for the fiscal year 1958. In the fiscal year 1956 the President requested \$200 million for the Asian fund. We cut him down to \$100 million. He has had it for 2 full years and they have only been able to spend \$6,327,000.

Mr. MILLER of Maryland. If the gentleman will yield, does not that show that the fund would not be misused?

Mr. PASSMAN. Does it not also show that they do not need that much money?

Mr. Chairman, I yield back the remainder of my time and ask for a vote.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Maryland [Mr. MILLER].

The amendment was rejected.

Mr. PASSMAN. Mr. Chairman, I ask unanimous consent that the balance of the bill may be considered as read and open to amendment at any point.

The CHAIRMAN. Is there objection to the request of the gentleman from Louisiana?

There was no objection.

The Clerk concluded the reading of the bill.

Mr. FOGARTY. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. FOGARTY: On page 3, line 19, strike out "\$5,000,000" and insert "\$10,000,000."

Mr. FOGARTY. Mr. Chairman, I want to make it clear right from the start that my amendment will not increase the appropriation by even \$1. It merely earmarks \$10 million of special assistance funds for Guatemala, the only country in the history of mankind that was able to throw off the Communist yoke.

In this connection, I can well remember the conversation I had with our Ambassador to Guatemala at that time, Jack Peurifoy, loved by all of us on Capitol Hill. Well do I remember his saying to me: "John, we must never, never permit Guatemala to fall in Communist hands again. If we do, it will be disastrous."

Let us think about the critical chain of events in Latin America within the past year and a half. The Presidents of Panama and Nicaragua, violently anti-Communist and strongly pro the United States, were the first to be assassinated. Then came the tragic assassination of Carlos Castillo Armas, the President of Guatemala, by a fanatic Communist. His assassination has been deplored by the entire free world. In the United States, particularly, we have felt that in the assassination of the President of Guatemala we lost a great friend, a vigorous anti-Communist, and a champion of the free way of life. It is essential that the United States demonstrate not by words, not by eulogies, but by deeds that we still believe in Guatemala although her great hero has fallen. The ideals and principles of what he liked to call "the new life" must be perpetuated. Last year the Congress in its wisdom specifically earmarked \$15 million in grant-aid funds to Guatemala and the same amount was appropriated the year before. The adoption of my amendment will make it clear to the courageous and freedom-loving people of Guatemala, that the United States is determined to help them successfully complete the Guatemala experiment initiated by President Carlos Castillo Armas. The entire world is watching this experiment, this attempt to prove that only through the free way of life, and not through communism can people achieve their happiness.

While my amendment is \$5 million less than the amount made available last year, I want to make clear the legislative intent in offering this amendment that should more aid be requested and should it be essential to carrying out the

democratic programs of Castillo Armas, then an additional sum will be made available by use of the emergency fund of the President or by some means of transferability.

The destiny and future of Latin America and the United States are one and the same. This is the fundamental basis of the inter-American system. In that system Guatemala stands out as a beacon light of hope not only for the entire free world but for all those people behind the Iron Curtain who yearn for freedom. If we can assist in making the Guatemala experiment work, we will be dealing the forces of communism a severe blow. Latin America constitutes a great prize to the Communists which they would like to win. Having won it they would dominate it ruthlessly and crush it. But they will not succeed if we demonstrate to the peoples of Latin America that we are their true friends and if we demonstrate particularly to the people and to the democratic Government of Guatemala that in this hour of their bereavement we stand with them in the battle against communism.

Because of the psychological impact the unanimous adoption of my amendment would have in Guatemala, I urge my colleagues to give it their full support.

Mr. MILLER of Maryland. Mr. Chairman, will the gentleman yield?

Mr. FOGARTY. I yield.

Mr. MILLER of Maryland. I am not going to oppose the gentleman's amendment. I think it is good and sound. However, I should like to call the attention of the Committee to the fact that we will immobilize still more of that emergency fund which my amendment sought to increase and which the House just voted down. We are putting the emergency fund in a straitjacket. I wish the gentleman's amendment had provided for additional funds to take care of it.

Mr. FOGARTY. I can say to my friend from Maryland that I think that can be straightened out in conference. The main point here is to increase this appropriation from \$5 million to \$10 million, because of the outstanding example they have set for all freedom-loving countries all over the world in the past 2 years since this money has been made available.

Mr. MORANO. Mr. Chairman, will the gentleman yield?

Mr. FOGARTY. I yield to the gentleman from Connecticut.

Mr. MORANO. I want to compliment the gentleman on offering this amendment. He has made a fine statement. I associate myself with his statement and support the amendment. It ought to be accepted by the Committee.

Mr. PASSMAN. The committee is agreeable and accepts the amendment offered by the gentleman.

The CHAIRMAN. The question is on the amendment.

The amendment was agreed to.

Mr. MEADER. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. MEADER: On page 5, after line 22, insert:

"SEC. 102. No part of any appropriation contained in this act shall be used for publicity or propaganda purposes not heretofore authorized by the Congress."

(Mr. MEADER asked and was given permission to revise and extend his remarks.)

Mr. MEADER. Mr. Chairman, I call the attention of the committee to the fact that five of the appropriation measures, which we have passed this year, contained language similar to this amendment. I do not know why it was not included in the bill, as reported from the committee.

Years ago, either the gentleman from Wisconsin [Mr. SMITH] or I or someone else had to offer amendments on the floor, but in recent years the Committee on Appropriations has been in the habit of putting that language in the appropriation bills as reported from the committee.

Mr. PASSMAN. Mr. Chairman, will the gentleman yield?

Mr. MEADER. I yield.

Mr. PASSMAN. I have polled the committee by whisper and nod and I do not find any objection to the amendment. The committee accepts the gentleman's amendment.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Michigan [Mr. MEADER].

The amendment was agreed to.

Mr. GROSS. Mr. Chairman, I move to strike out the last word.

Mr. Chairman, I take this time to ask a question of someone on the committee. On page 5, we find administrative expenses for the Department of State \$4,577,000. Will the gentleman tell me what that appropriation is for?

Mr. PASSMAN. Let us discuss the two of them together, administrative expenses, the ICA as well as this. Generally, it is for the top echelon, and if we are going to spend billions of dollars, do you not think we ought to give them sufficient money in the administrative end of it to do a good job and employ the proper type of personnel?

Mr. GROSS. It seems to me the State Department has requested an appropriation in every supplemental and deficiency appropriation bill that has come before the House. I wonder if there is any liquor in this \$4,577,000?

Mr. PASSMAN. I will say to the gentleman that the State Department has requested no funds for that item in the bill.

Mr. GROSS. As I recall, there was an appropriation of \$800,000 for representation allowances or liquor, in the regular State Department appropriation for the last fiscal year and yet we find officials of the Department raided their emergency funds to buy liquor here in Washington. I was just wondering if that was the purpose of some of these funds.

Mr. PASSMAN. I wish to assure the gentleman that this item is for administrative expenses.

The pro forma amendments were withdrawn.

Mr. PASSMAN. Mr. Chairman, I move that the Committee do now rise and report the bill back to the House

with sundry amendments with the recommendation that the amendments be agreed to, and that the bill, as amended, do pass.

The motion was agreed to.

Accordingly the Committee rose; and the Speaker having resumed the chair, Mr. MILLS, Chairman of the Committee of the Whole House on the State of the Union, reported that that Committee, having had under consideration the bill (H. R. 9302) making appropriations for mutual security for the fiscal year ending June 30, 1958, and for other purposes, had directed him to report the bill back to the House with sundry amendments with the recommendation that the amendments be agreed to and that the bill, as amended do pass.

The SPEAKER. Without objection, the previous question is ordered.

There was no objection.

The SPEAKER. Is a separate vote demanded on any amendment? If not, the Chair will put them in gross.

The question is on the amendments.

The amendments were agreed to.

The SPEAKER. The question is on the engrossment and third reading of the bill.

The bill was ordered to be engrossed and read a third time and was read the third time.

The SPEAKER. The question is on the passage of the bill.

Mr. JUDD. Mr. Speaker, I offer a motion to recommit.

The SPEAKER. Is the gentleman opposed to the bill?

Mr. JUDD. I am opposed to this bill, Mr. Speaker.

The SPEAKER. The Clerk will report the motion to recommit.

The Clerk read as follows:

Mr. JUDD moves to recommit the bill to the Committee on Appropriations with instructions to report it back forthwith with the following amendments:

On page 2, line 11, strike out "\$1,250,000,000" and insert "\$1,600,000,000."

On page 2, line 17, strike out "\$585,000,000" and insert "\$750,000,000."

On page 3, line 2, strike out "\$300,000,000" and insert "\$500,000,000."

Mr. PASSMAN. Mr. Speaker, I move the previous question on the motion to recommit.

The previous question was ordered.

The SPEAKER. The question is on the motion to recommit.

Mr. JUDD. On that, I demand the yeas and nays.

The yeas and nays were ordered.

The question was taken; and there were—yeas 129, nays 254, not voting 49, as follows:

[Roll No. 197]

YEAS—129

Addonizio	Broomfield	Curtis, Mass.
Allen, Calif.	Byrne, Pa.	Dague
Anderson,	Canfield	Delray
Mont.	Carnahan	Dennison
Arends	Carrigg	Devereux
Ashley	Chamberlain	Diggs
Auchincloss	Chiperfield	Dooley
Avery	Chudoff	Dorn, N. Y.
Ayres	Coffin	Doyle
Baldwin	Cole	Dwyer
Barrett	Corbett	Farbstein
Bass, N. H.	Coudert	Fascell
Bates	Cretella	Flood
Boland	Cunningham,	Fogarty
Bolling	Iowa	Ford
Bolton	Curtin	Frelinghuysen

Fulton	Maehrowicz	Sadlak
Granahan	Marshall	St. George
Green, Pa.	Martin	Schwengel
Griffin	May	Scott, Pa.
Gubser	Merrow	Scudder
Hale	Metcalf	Seely-Brown
Halleck	Miller, Calif.	Sheppard
Harden	Miller, Md.	Simpson, Pa.
Haskell	Morano	Sisk
Hays, Ark.	Moss	Springer
Heselton	Mumma	Staggers
Hill	O'Brien, N. Y.	Stauffer
Holmes	O'Hara, Ill.	Taber
Hosmer	O'Neill	Teague, Calif.
Hyde	Osmers	Tewes
Jackson	Ostertag	Thompson, N. J.
James	Patterson	Tollefson
Judd	Pelly	Udall
Karsten	Price	Van Zandt
Kean	Prouty	Vorys
Keating	Radwan	Vursell
Kelley, Pa.	Ray	Widnall
King	Reuss	Wigglesworth
LeCompte	Rhodes, Pa.	Wilson, Calif.
McCarthy	Riehman	Wolverton
McConnell	Rodino	Yates
McIntosh	Rogers, Mass.	Younger
Macdonald	Rooney	

NAYS—254

Loser
McDonough
McFall
McGovern
McIntire
McMillan
McVey
Mack, Ill.
Mack, Wash.
Madden
Magnuson
Mahon
Matthews
Meader
Michel
Miller, Nebr.
Mills
Minshall
Montoya
Moore
Morris
Moulder
Multer
Murray
Natcher
Neal
Nicholson
Nlmtz
Norrell
O'Brien, Ill.
O'Konski
Passman
Patman
Perkins
Pfost
Philbin
Pilcher
Pillon
Poage
Poff
Polk
Porter
Rabaut
Reece, Tenn.
Reed
Rees, Kans.
Rhodes, Ariz.
Riley
Rivers
Roberts
Robeson, Va.
Rogers, Colo.
Rogers, Fla.
Rogers, Tex.
Roosevelt
Rutherford
Santangelo
Saund
Saylor
Schenck
Scott, N. C.
Serivner
Sclden
Sheehan
Shuford
Sieminski
Sikes
Simpson, Ill.
Smith, Calif.
Smith, Kans.
Smith, Miss.
Smith, Va.
Smith, Wis.
Spence
Stead

Sullivan	Ullman	Wier
Talle	Utt	Williams, Miss.
Teague, Tex.	Vanik	Willis
Teller	Van Pelt	Wilson, Ind.
Thomas	Vinson	Winstead
Thompson, La.	Walter	Withrow
Thompson, Tex.	Watts	Wright
Thomson, Wyo.	Weaver	Young
Thornberry	Westland	Zablocki
Trimble	Wharton	Zelenko
Tuck	Whitten	
NOT VOTING—49		
Alger	Hays, Ohio	Morgan
Anfuso	Henderson	Morrison
Baker	Hess	Norblad
Barden	Hiestand	O'Hara, Minn.
Baumhart	Hillings	Powell
Beamer	Holtzman	Preston
Bentley	Kearney	Rains
Brownson	Kelly, N. Y.	Robsion, Ky.
Buckley	Kilburn	Scherer
Bush	Krueger	Shelley
Curtis, Mo.	Long	Siler
Dawson, Ill.	McCormack	Taylor
Eberharter	McCulloch	Wainwright
Fenton	McGregor	Whitener
George	Mailliard	Williams, N. Y.
Gordon	Mason	
Harrison, Nebr.	Miller, N. Y.	

NOT VOTING—49

Deronian	Jones, Ala.
Devereux	Jones, Mo.
Diggs	Karsten
Dingell	Kean
Dixon	Kearns
Dollnnger	Keating
Donohue	Kee
Dooley	Kelley, Pa.
Dorn, N. Y.	Keogh
Doyle	Kilday
Durham	King
Dwyer	Kirwan
Ellott	Kluczynski
Engle	Knutson
Evins	Laird
Fallon	Lane
Farbstain	Lanham
Faseell	Lankford
Feighan	Latham
Fino	LeCompte
Flood	Lesinski
Fogarty	Loser
Forand	McCarthy
Ford	McConnell
Fountain	McFall
Frazier	McGovern
Frellinghuysen	McIntosh
Friedel	Macdonald
Fulton	Machrowie
Garmatz	Mack, Ill.
Gary	Madden
Gathings	Magnuson
Granahan	Mahon
Green, Oreg.	Marshall
Green, Pa.	Martin
Gregory	Matthews
Griffin	May
Griffiths	Meader
Gubser	Merrow
Hagen	Metcalf
Hale	Miller, Cal.
Halleck	Miller, Md.
Harden	Montoya
Hardy	Morano
Harrls	Moss
Haskell	Multer
Hays, Ark.	Mumma
Healcy	Natcher
Hébert	Neal
Heselton	Nimtz
Hill	O'Brien, Ill.
Holifield	O'Brien, N.
Holland	O'Hara, Ill.
Holmes	O'Neill
Horan	Osmers
Hosmer	Ostertag
Huddleston	Passman
Hyde	Patterson
Ikard	Pelly
Jackson	Perkins
James	Pfost
Jenkins	Phllbin
Johnson	Pillon
Jonas	Poff
NAYS—	
Abbitt	Dies
Abernethy	Dorn, S. C.
Adair	Dowdy
Alexander	Edmondson
Andersen,	Fisher
H. Cari	Flynt
Andresen,	Forrester
August H.	Gavin
Andrews	Grant
Ashmore	Gray
Bailey	Gross
Baring	Gwynn
Bass, Tenn.	Haley
Belcher	Harrison, W.
Bennett, Fla.	Harvey
Bennett, Mich.	Hemphill
Berry	Herlong
Betts	Hoeven
Blitch	Hoffman
Bonner	Holt
Bosch	Hull
Bow	Jarman
Bray	Jennings
Brooks, La.	Jensen
Brown, Ga.	Johansen
Brown, Mo.	Judd
Brown, Ohio	Kceney
Budge	Kilgore
Burdick	Kitechin
Burleson	Knox
Byrne, Ill.	Landrum
Church	Lennon
Clevenger	Lipscomb
Collier	McDonoug
Colmer	McIntire
Cooley	McMillan
Cunningham,	McVey
Nebr.	Mack, Was.
Davis, Ga.	Michel
Douglas	Miller, N.Y.

Jones, Ala.	Porter
Jones, Mo.	Prie
Karsten	Prouty
Kean	Rabaut
Kearns	Radwan
Keating	Reuss
Kee	Rhodes, Ariz.
Kelley, Pa.	Rhodes, Pa.
Keogh	Riehman
Kilday	Roberts
King	Rodino
Kirwan	Rogers, Colo.
Kluczynski	Rogers, Mass.
Knutson	Rooney
Laird	Roosevelt
Lane	Sadlak
Lanham	Santangelo
Lankford	St. George
Latham	Saund
LeCompte	Schenek
Lesinski	Schwengel
Loser	Scott, Pa.
McCarthy	Scudder
McConnell	Seely-Brown
McFall	Selden
McGovern	Sheppard
McIntosh	Sieminski
Macdonald	Simpson, Pa.
Machrowiez	Sisk
Mack, Ill.	Smith, Miss.
Madden	Spence
Magnuson	Springer
Mahon	Staggers
Marshall	Stauffer
Martin	Sullivan
Matthews	Taber
May	Teague, Calif.
Meader	Teller
Merrow	Tewes
Metalf	Thompson, N. J.
Miller, Calif.	Thornberry
Miller, Md.	Tollefson
Montoya	Trimble
Morano	Udall
Moss	Ullman
Multer	Vanik
Mumma	Van Zandt
Natcher	Vinson
Neal	Vorys
Nimtz	Vursell
O'Brien, Ill.	Walter
O'Brien, N. Y.	Watts
O'Hara, Ill.	Westland
O'Neill	Widnall
Osmers	Wier
Ostertag	Wigglesworth
Passman	Wilson, Calif.
Patterson	Wolverton
Pelly	Wright
Perkins	Yates
Pfost	Younger
Philbin	Zablocki
Pillion	Zelenko
Poff	
NAYS—130	
Dies	Mills
Dorn, S. C.	Minshall
Dowdy	Moore
Edmondson	Morris
Fisher	Moulder
Flynt	Murray
Forrester	Nicholson
Gavin	Norrell
Grant	O'Konski
Gray	Patman
Gross	Pilcher
Gwinn	Poage
Haley	Polk
Harrison, Va.	Ray
Harvey	Reeee, Tenn.
Hemphill	Reed
Herlong	Rees, Kans.
Hoeven	Riley
Hoffman	Rivers
Holt	Robeson, Va.
Hull	Rogers, Fla.
Jarman	Rogers, Tex.
Jennings	Rutherford
Jensen	Saylor
Johansen	Scott, N. C.
Judd	Scrivner
Kceney	Sheehan
Kilgore	Shuford
Kitehin	Slkes
Knox	Simpson, Ill.
Landrum	Smith, Calif.
Lennon	Smith, Kans.
Lipscomb	Smith, Va.
McDonough	Smith, Wis.
McIntire	Steed
McMillan	Talle
McVey	Teague, Tex.
Mack, Wash.	Thomas
Miebel	Thompson, La.
Mullen, N.Y.	Thompson, Tex.

So the motion to recommit was rejected.

The Clerk announced the following pairs:

On this vote:

Mr. Gordon for, with Mr. Anfuso against
Mr. Morgan for, with Mr. Buckley against
Mr. Morrison for, with Mr. Dawson of Illi-
nois against.

Mr. Hillings for, with Mr. Beamer against
Mr. Alger for, with Mr. Holtzman against
Mr. Baumhart for, with Mr. Hays of Ohio
against.

Mr. Taylor for, with Mr. Long against.
Mr. Hess for, with Mr. Powell against.
Mr. Maillard for, with Mr. Brownson
against.

Until further notice:

With further notice.

Mrs. Kelly of New York with Mr. Baker

Mrs. Kelly of New York with Mr.
Mr. Preston with Mr. Bush.
Mr. Rains with Mr. Miller of Ne
Mr. Shelley with Mr. Norblad.
Mr. Whitener with Mr. Bentley.

Mrs. GRANAHAN and Mr. BYRNE of Pennsylvania changed their vote from "no" to "yes."

Mr. CLARK and Mr. CEDERBERG changed their vote from "yea" to "nay."

The result of the vote was announced as above recorded.

The SPEAKER. The question is on the passage of the bill.

Mr. GARY. On that, Mr. Speaker, I demand the yeas and nays.

The yeas and nays were ordered.

The question was taken; and there were—yeas 252, nays 130, answered.

not voting 49,

YFAS-252

TEAS—202		
Addonizio	Bolling	Chudoff
Albert	Bolton	Clark
Allen, Calif.	Boykin	Coad
Allen, Ill.	Boyle	Coffin
Anderson, Mont.	Breeding	Cole
Arends	Brooks, Tex.	Cooper
Ashley	Broomfield	Corbett
Aspinall	Broyhill	Coudert
Auchineloss	Byrd	Cramer
Avery	Eyrne, Pa.	Cretella
Ayres	Byrnes, Wis.	Cunningham, Iowa
Baldwin	Canfield	Curtin
Barrett	Cannon	Curtis, Mass.
Bass, N. H.	Carnahan	Dague
Bates	Carrigg	Davis, Tenn.
Becker	Celler	Dawson, Utah
Beckworth	Chamberlain	Delaney
Blatnik	Chelf	Dellay
Boggs	Chenoweth	Dennison
Beland	Chiperfield	Denton
	Christopher	

August 15

Thomson, Wyo.	Wharton	Wilson, Ind.
Tuck	Whitten	Winstead
Utt	Williams, Miss.	Withrow
Van Pelt	Willis	Young
Weaver		

ANSWERED "PRESENT"—1
Cederberg

NOT VOTING—49

Alger	Hays, Ohio	Morgan
Anfuso	Henderson	Morrison
Baker	Hess	Norblad
Barden	Hlestand	O'Hara, Minn.
Baumhart	Hillings	Powell
Beamer	Holtzman	Preston
Bentley	Kearney	Rains
Brownson	Kelly, N. Y.	Robison, Ky.
Buckley	Kilburn	Scherer
Bush	Krueger	Shelley
Curtis, Mo.	Long	Sler
Dawson, Ill.	McCormack	Taylor
Eberhardt	McCulloch	Wainwright
Fenton	McGregor	Whitener
George	Malliard	Williams, N. Y.
Gordon	Mason	
Harrison, Nebr.	Miller, N. Y.	

So the bill was passed.

The Clerk announced the following pairs:

On this vote:

Mr. Fenton for, with Mr. Long against.
Mr. Shelley for, with Mr. Preston against.
Mr. Baumhart for, with Mr. Morrison against.

Mr. Hess for, with Mr. Alger against.
Mr. Taylor for, with Mr. Brownson against.
Mr. Hillings for, with Mr. Beamer against.
Mr. Kilburn for, with Mr. Bentley against.
Mr. Robison of Kentucky for, with Mr. Krueger against.

Mr. McCormack for, with Mr. Harrison of Nebraska against.

Mr. Anfuso for, with Mr. McCulloch against.

Mrs. Kelly of New York for, with Mr. O'Hara of Minnesota against.

Mr. Buckley for, with Mr. Henderson against.

Mr. Dawson of Illinois for, with Mr. Sler against.

Mr. Holtzman for, with Mr. Scherer against.

Mr. Hays of Ohio for, with Mr. Mason against.

Mr. Morgan for, with Mr. McGregor against.

Mr. Gordon for, with Mr. Hlestand against.

Mr. Wainwright for, with Mr. Cederberg against.

Mr. Mailliard for, with Mr. Kearney against.

Until further notice:

Mr. Barden with Mr. Bush.
Mr. Whiteman with Mr. Baker.
Mr. Powell with Mr. Norblad.
Mr. Rains with Mr. Miller of New York.

Mr. CEDERBERG. Mr. Speaker, I have a live pair with the gentleman from New York [Mr. WAINWRIGHT] who, if he were present, would have voted "aye." I voted "nay." I withdraw my vote and vote "present."

The result of the vote was announced as above recorded.

A motion to reconsider was laid on the table.

Mr. PASSMAN. Mr. Speaker, I ask unanimous consent that the Clerk be authorized to correct section numbers.

The SPEAKER. Is there objection to the request of the gentleman from Louisiana?

There was no objection.

GENERAL LEAVE TO EXTEND

Mr. PASSMAN. Mr. Speaker, I ask unanimous consent that all Members

may have 5 legislative days in which to revise and extend their remarks on the mutual security appropriation bill.

The SPEAKER. Is there objection to the request of the gentleman from Louisiana?

There was no objection.

MESSAGE FROM THE SENATE

A message from the Senate, by Mr. Carrell, one of its clerks, announced that the Senate disagrees to the amendments of the House to the bill (S. 1482) entitled "An act to amend certain provisions of the Columbia Basin Project Act, and for other purposes," requests a conference with the House on the disagreeing votes of the two Houses thereon, and appoints Mr. ANDERSON, Mr. JACKSON, and Mr. MALONE to be the conferees on the part of the Senate.

PROGRAM FOR TOMORROW

(Mr. MARTIN asked and was given permission to address the House for 1 minute.)

Mr. MARTIN. Mr. Speaker, I take this time to secure the program for tomorrow from the acting majority leader.

Mr. ALBERT. Mr. Speaker, in response to the gentleman, the conference report on S. 1447, the poultry inspection bill, will be taken up tomorrow.

Mr. MARTIN. And that is the only legislation except by unanimous consent?

Mr. ALBERT. The gentleman is correct.

CALL OF THE PRIVATE CALENDAR

Mr. ALBERT. Mr. Speaker, I ask unanimous consent to dispense with the regular call of the Private Calendar on Tuesday next and that it may be in order for the Private Calendar to be called on Thursday next.

The SPEAKER. Is there objection to the request of the gentleman from Oklahoma?

There was no objection.

POSTAL AND CLASSIFIED SALARY INCREASES

(Mr. PHILBIN asked and was given permission to extend his remarks at this point in the RECORD.)

Mr. PHILBIN. Mr. Speaker, I do not believe that the American people can understand the delay and temporizing, which blocks the final enactment and approval of raises that the House has voted to provide needed pay increases for postal and classified and other workers of the Federal Government.

Every type of tactic and argument has been used to obstruct and delay these measures. First, they are mouse-trapped in the preliminary legislative machinery. Then, it is asserted that they are unjustifiable because they will produce inflation, and, finally, they are shuffled in the melee of confusion and voluminous, routine procedure that always attends the pre-adjunction sessions of Congress.

Beyond this, there are constant threats that these vital measures will be vetoed by the Executive, or merged with other legislation, which will bring about their defeat or let them perish in the maelstrom of last-minute legislative potpourri.

I cannot understand the arguments, let alone the methods, that are being used to sidetrack these worthy measures. Practically every other group of workers in the Nation have currently enjoyed wage and salary increases, and no one has asserted that these increases should not have been granted because they would be inflationary.

Huge appropriations have been passed by Congress for innumerable purposes, which will pour billions of dollars into the economy, and lavish upon foreign nations, and this is not asserted to be inflationary.

Alone, above practically all American workers, the postal and classified groups have not been privileged to enjoy what present economic demands clearly require—fair and appropriate increases in their pay. Measured by any scale of justice, if increases are justified for all other workers, it is grossly unfair to penalize Government workers by holding up necessary legislation and fabricating specious arguments designed to deprive them of well-deserved pay increases.

It would be a pity and a great injustice if these measures should be buried in the legislative graveyard, or nullified by Executive veto. It would be deplorable to subject these measures to political jockeying and political manipulation to win favor and votes, to be used as a football in a cynical game of political aggrandizement.

The fact is, Mr. Speaker, that these bills, with their proposed fair pay increases, are no more inflationary than any other pay raises that take place in our economy. How can any one logically argue that Government workers should be denied pay increases while all other workers are receiving them? This contention implies gross discrimination against faithful, postal workers, faithful classified and other employees of the Federal Government.

I have vigorously worked for, spoken for and supported these bills. They have real merit. They seek in this period of rising prices to give fair compensation to our valued Government workers.

Mr. Speaker, I urge every effort by this and the other body to act most vigorously and swiftly to insure the final approval and passage of these measures, and I also respectfully urge our great, beloved President to sign them. Congress must not adjourn until that is done.

THE DROUGHT SITUATION IN NEW JERSEY

(Mr. THOMPSON of New Jersey asked and was given permission to extend his remarks at this point in the RECORD.)

Mr. THOMPSON of New Jersey. Mr. Speaker, on July 28 the Republican candidate for Governor of New Jersey sent to each Member of New Jersey's congressional delegation a copy of a telegram addressed to our distinguished Governor,

85TH CONGRESS
1ST SESSION

H. R. 9302

IN THE SENATE OF THE UNITED STATES

AUGUST 16, 1957

Read twice and referred to the Committee on Appropriations

AN ACT

Making appropriations for Mutual Security for the fiscal year ending June 30, 1958, and for other purposes.

1 *Be it enacted by the Senate and House of Representa-*
2 *tives of the United States of America in Congress assembled,*
3 That the following sums are appropriated, out of any money
4 in the Treasury not otherwise appropriated, for the fiscal
5 year ending June 30, 1958, namely:

I

1 MUTUAL SECURITY

2 FUNDS APPROPRIATED TO THE PRESIDENT

3 For expenses necessary to enable the President to carry
4 out the provisions of the Mutual Security Act of 1954, as
5 amended, to remain available until June 30, 1958 unless
6 otherwise specified herein, as follows:

7 Military assistance: For assistance authorized by sec-
8 tion 103 (a) to carry out the purposes of title I, chapter 1
9 (including administrative expenses as authorized by section
10 103 (b), which shall not exceed \$23,500,000 for the fiscal
11 year 1958), \$1,250,000,000; and in addition not to exceed
12 \$538,800,000 of unobligated and unreserved balances of
13 funds heretofore made available for purposes of section 103
14 (a) and section 104 are continued available for the pur-
15 poses of section 103 (a);

16 Defense support: For assistance authorized by section
17 131 (b), \$585,000,000; and in addition \$36,000,000 of
18 unobligated balances of funds heretofore made available for
19 purposes of section 131 are continued available for the pur-
20 poses of that section: *Provided*, That not less than
21 \$40,000,000 thereof shall be available for Spain, exclusive
22 of technical cooperation;

23 Development assistance: Not to exceed \$52,000,000
24 of unobligated balances of funds heretofore made available
25 for purposes of development assistance are hereby continued

1 available for the purposes for which originally appropriated;
2 Development Loan Fund: For advances to the Develop-
3 ment loan fund as authorized by section 203, \$300,000,000,
4 to remain available until expended;

5 Technical cooperation, general authorization: For assist-
6 ance authorized by section 304, \$113,000,000; and in addi-
7 tion not to exceed \$12,000,000 of unobligated balances of
8 funds heretofore made available for purposes of section 304
9 are continued available for the purposes of that section;

10 United Nations expanded program of technical assist-
11 ance: For contributions authorized by section 306 (a),
12 \$15,500,000: *Provided*, That the United States contribu-
13 tion to the 1958 calendar year program shall not exceed
14 33.33 per centum of the United Nations program;

15 Technical cooperation programs of the Organization of
16 American States: For contributions authorized by section
17 306 (b), \$1,500,000;

18 Special assistance, general authorization: For assistance
19 authorized by section 400 (a), \$175,000,000: *Provided*,
20 That not less than \$10,000,000 shall be available for
21 Guatemala;

22 Special assistance in joint control areas in Europe: For
23 assistance authorized by section 403, \$11,500,000;

24 Intergovernmental Committee for European Migration:
25 For contributions authorized by section 405 (a), \$12,500,-

1 000: *Provided*, That no funds appropriated in this Act shall
2 be used to assist directly in the migration to any nation in the
3 Western Hemisphere of any person not having a security
4 clearance based on reasonable standards to insure against
5 Communist infiltration in the Western Hemisphere;

6 United Nations Refugee Fund: For contributions
7 authorized by section 405 (c), \$2,233,000;

8 Escapee program: For assistance authorized by section
9 405 (d), \$5,500,000;

10 United Nations Children's Fund: For contributions
11 authorized by section 406, \$11,000,000;

12 United Nations Relief and Works Agency: Not to ex-
13 ceed \$23,800,000 of unobligated balances of funds hereto-
14 fore made available for purposes of section 407 are continued
15 available for purposes of that section;

16 North Atlantic Treaty Organization: For contributions
17 for the construction of the North Atlantic Treaty Organiza-
18 tion civilian headquarters as authorized by section 408,
19 \$1,500,000;

20 Ocean freight charges, United States voluntary relief
21 agencies: For payments authorized by section 409 (c),
22 \$2,200,000;

23 Control Act expenses: For carrying out the purposes of
24 the Mutual Defense Assistance Control Act of 1951, as
25 authorized by section 410, \$1,000,000;

1 General administrative expenses: For expenses author-
2 ized by section 411 (b), \$32,750,000;

3 Atoms for Peace: Not to exceed \$4,450,000 of unobli-
4 gated balances of funds heretofore made available for purposes
5 of section 12 of the Mutual Security Act of 1956 are hereby
6 continued available for the purposes of section 419;

7 Funds appropriated under each paragraph of this Act
8 (other than appropriations under the head of military assist-
9 ance), including specified amounts of unobligated balances,
10 and amounts certified pursuant to section 1311 of the Sup-
11 plemental Appropriation Act, 1955, as having been obli-
12 gated against appropriations heretofore made for the same
13 general purpose as such paragraph, which amounts are
14 hereby continued available (except as may otherwise be
15 specified in this Act) for the same period as the respective
16 appropriations in this Act for the same general purpose,
17 may be consolidated in one account for each paragraph.

DEPARTMENT OF STATE

19 Administrative expenses: For expenses of the Depart-
20 ment of State as authorized by section 411 (c) of the Mutual
21 Security Act of 1954, as amended, \$4,577,000.

GENERAL PROVISIONS

23 SEC. 102. No part of any appropriation contained in this
24 Act shall be used for publicity or propaganda purposes not
25 heretofore authorized by the Congress.

1 SEC. 103. Payments made from funds appropriated
2 herein for engineering fees and services to any individual
3 engineering firm on any one project in excess of \$25,000
4 shall be reported to the Committees on Appropriations of the
5 Senate and House of Representatives at least twice annually.

6 SEC. 104. Pursuant to section 1415 of the Supplemental
7 Appropriation Act, 1953, and in addition to other amounts
8 made available pursuant to said section, not to exceed the
9 equivalent of \$300,000 of foreign currencies or credits owed
10 to or owned by the United States shall remain available
11 until expended, without reimbursement to the Treasury,
12 for liquidation of obligations incurred against such currencies
13 or credits prior to July 1, 1953, pursuant to authority con-
14 tained in the Mutual Security Act of 1951, as amended,
15 and Acts for which funds were authorized by that Act and,
16 hereafter, foreign currencies generated under the provisions
17 of this Act shall be utilized only for the purposes for which
18 the funds providing the commodities which generated the
19 currency were appropriated.

20 SEC. 105. None of the funds provided by this Act nor
21 any of the counterpart funds generated as a result of assist-
22 ance under this or any other Act shall be used to make pay-
23 ments on account of the principal or interest on any debt
24 of any foreign government or on any loan made to such
25 government by any other foreign government; nor shall

1 any of these funds be expended for any purpose for which
2 funds have been withdrawn by any recipient country to
3 make payment on such debts: *Provided*, That to the
4 extent that funds have been borrowed by any foreign
5 government in order to make a deposit of counterpart and
6 such deposit is in excess of the amount that would be re-
7 quired to be deposited pursuant to the formula prescribed
8 by section 142 (b) of the Mutual Security Act of 1954,
9 as amended, such counterpart may be used in such country
10 for any agreed purpose consistent with the provisions of
11 such Act.

12 SEC. 106. Except for the appropriations entitled "Spe-
13 cial assistance, general authorization" and "Development
14 loan fund", not more than 20 per centum of any appro-
15 priation item made available by this Act shall be obligated
16 and/or reserved during the last two months of the fiscal
17 year.

18 SEC. 107. None of the funds made available by this
19 Act shall be used to carry out the purposes of the first
20 sentence of section 400 (c) of the Mutual Security Act of
21 1954, as amended.

22 SEC. 108. The appropriations and authority with respect
23 thereto in this Act shall be available from July 1, 1957, for
24 the purposes provided in such appropriations and authority.
25 All obligations incurred during the period between June 30,

1 1957, and the date of enactment of this Act in anticipation
2 of such appropriations and authority are hereby ratified and
3 confirmed if in accordance with the terms hereof.

4 SEC. 109. The Congress hereby reiterates its opposition
5 to the seating in the United Nations of the Communist
6 China regime as the representative of China, and it is hereby
7 declared to be the continuing sense of the Congress that the
8 Communist regime in China has not demonstrated its will-
9 ingness to fulfill the obligations contained in the Charter of
10 the United Nations and should not be recognized to represent
11 China in the United Nations. In the event of the seating of
12 representatives of the Chinese Communist regime in the
13 Security Council or General Assembly of the United Nations,
14 the President is requested to inform the Congress insofar as is
15 compatible with the requirements of national security, of the
16 implications of this action upon the foreign policy of the
17 United States and our foreign relationships, including that
18 created by membership in the United Nations, together with
19 any recommendations which he may have with respect to
20 the matter.

21 SEC. 110. This Act may be cited as the "Mutual
22 Security Appropriation Act, 1958".

Passed the House of Representatives August 15, 1957.

Attest:

RALPH R. ROBERTS,

Clerk.

85TH CONGRESS
1ST SESSION

H. R. 9302

AN ACT

Making appropriations for Mutual Security for the fiscal year ending June 30, 1958, and for other purposes.

AUGUST 16, 1957

Read twice and referred to the Committee on Appropriations

SENATE Aug. 26, 1955

20. FOREIGN AID. Agreed to consider H.R. 9302, the mutual security appropriation bill, as soon as reports were available (p. 14489). The bill was reported with amendments by the Appropriations Committee later in the day (S. Rept. 1117) (p. 14479). Sen. Smith, N.J., inserted a statement criticizing the assumption that \$12.1 billion was "available" at this time in foreign aid funds (pp. 14481-2). Sen. Johnson inserted an article on the value of aid funds in Guatemala (pp. 14499-500). Sen. Javits pointed to the Syrian problem as "a potent argument" for passage of the full authorized amount for foreign aid (p. 14502).
21. WATER RESOURCES. The Rules and Administration Committee reported without amendment H. Con. Res. 176, to authorize printing of certain material relating to the Central Valley Project in Calif. as a House document. p. 14479
Sen. Neuberger inserted the statement of himself and Sen. Murray to the Senate Appropriations Committee on development of the Columbia River as a navigable waterway. pp. 14489-92
Sen. Jackson pointed to the cut-off of interruptible electric power from the Bonneville Power Administration, and inserted several editorials urging comprehensive river development of the Pacific Northwest. pp. 14525-6
22. MONOPOLIES. The Rules and Administration Committee reported without amendment H. Con. Res. 188, to authorize printing as a House document of "Congress and the Monopoly Problem; 56 Years of Antitrust Development, 1900-56." p. 14479
23. ELECTRIFICATION. Sen. Curtis discussed the Consumer's Public Power nuclear energy project in Nebr., included in the recent atomic energy authorization bill. pp. 14486-8
Sen. Dworshak inserted an editorial criticizing the attitude of Sen. Neuberger on Hells Canyon and stating that his opposition to Brutes Eddy dam in Ida. was not reasonable and was harming Ida.. p. 14492
24. PERSONNEL. Passed with amendments S. 2377, to provide for the production of statements and reports of witnesses in loyalty cases, etc.. pp. 14527-54
25. REORGANIZATION. Sen. Knowland inserted a letter from the President opposing the House amendment to S. 1791, to extend the Reorganization Act of 1949 to 1959. The House amendment would authorize a simple majority of those present in either House to disapprove any reorganization plan. p. 14560
26. LEGISLATIVE PROGRAM. H.R. 7096, to exempt istle or Tampico fiber from the 1930 Tariff Act, was made the Senate's unfinished business (p. 14564).
Sen. Johnson announced that "we shall make a determined effort to conclude our work this week," and stated he expected to call up several important bills this week, including the mutual security appropriation and the classified pay bill (p. 14501).

ITEMS IN APPENDIX

27. GRAINS. Sen. Thye inserted an editorial, "Bushel Versus Hundredweight," discussing the advantages and disadvantages if the trading unit of grain should be changed from bushel to hundredweight. p. A7018
28. GOVERNMENT SERVICE. Sen. Smith inserted Edward K. Mills', Deputy Administrator of GSA, recent address, "The Opportunity to Participate in Government." pp. A7027-9

Sen. Johnston inserted an article, "Personnel Management as a Service to Agency Operations," which emphasizes the importance of the exercise of discretion, the role of legislative and top executive officials, the human relations approach, and the need for service concept. p. A7043

29. HEALTH. Rep. Wolverton inserted several addresses which were made before the 10th World Health Assembly which convened at Geneva, Switzerland during the month of May. pp. A7030-7
30. FARM PROGRAM. Extension of remarks of Rep. Vursell reporting to the farmers on important legislation considered in this session which affects agriculture. pp. A7037-9
31. NATURAL RESOURCES. Rep. Thomson inserted an editorial calling attention to the opportunities in Wyo. and the contribution the State can make to the economy of the Nation as a supplier of much needed resources and raw materials. p. A7037
32. FLOOD CONTROL. Extension of remarks of Rep. Brooks describing the damage done by the devastating floods in the Red River Valley. pp. A7046-7
33. FEDERAL AID. Extension of remarks of Rep. Miller, Nebr., stating that "I want to sound this warning: Federal grants-in-aid may be threatening the strength of the States," and inserting a list of the grants made to Nebr., including funds from this Department. pp. A7058-60
34. FOREST FIRES. Extension of remarks of Rep. Metcalf describing the damage done by forest fires, inserting two clippings from an Alaskan newspaper telling of immensely destructive fires in Alaska, and stating 'these fires bring forest management to a standstill.' pp. A7060-1
35. RIVER BASIN. Extension of remarks of Rep. Ullman inserting an editorial, "How Big Is The Columbia River?" and stating the editorial gives some indication of why we who represent the Pacific Northwest are enthusiastic over the potentialities for future development of the Columbia River and its tributaries. pp. A7065-6

BILLS INTRODUCED

36. LANDS. H.R. 9445, by Del. Burns, Hawaii, to amend the Hawaiian Organic Act, and to approve amendments of the Hawaiian land laws, with respect to leases and other dispositions of land; to Interior and Insular Affairs Committee.
H.R. 9447, by Rep. Haley, to amend the law relating to mining leases on Indian lands and Federal lands within Indian reservations; to Interior and Insular Affairs Committee.

PRINTED HEARINGS RECEIVED IN THIS OFFICE

37. WATER RESOURCES. S. Res. 148, to provide improved procedures for authorization of land and water resource projects. Senate Interior and Insular Affairs and Senate Public Works Committees Joint Hearing.
38. RECREATION. H.R. 3592, 3594, 3595, 3596, 4819, 4822, 5238, 6884, 7230, to establish a National Outdoor Recreation Resources Review Commission. House Interior and Insular Affairs Committee.

Calendar No. 1151

85TH CONGRESS
1st Session }

SENATE

{

REPORT
No. 1117

MUTUAL SECURITY APPROPRIATION BILL, 1958

AUGUST 26, 1957.—Ordered to be printed

Mr. HAYDEN, from the Committee on Appropriations, submitted the following

R E P O R T

[To accompany H. R. 9302]

The Committee on Appropriations, to whom was referred the bill (H. R. 9302) making appropriations for Mutual Security for the fiscal year ending June 30, 1958, and for other purposes, report the same to the Senate with various amendments and present herewith information relative to the changes made.

Amount of bill as passed House----- \$2, 524, 760, 000

Amount of increase by Senate----- 500, 900, 000

Amount of bill as reported to the Senate----- 3, 025, 660, 000

Amount of estimates, 1958----- 3, 386, 860, 000

Amount of appropriations, 1957----- 3, 766, 570, 000

The bill as reported to the Senate:

Under the estimates for 1958----- 361, 200, 000

Under the appropriations for 1957----- 740, 910, 000

Comparison of appropriations

Items	Appropriations, 1957	Estimates, 1958	Recommended in House bill, 1958	Senate com- mittee bill, 1958	Senate bill compared with—	
					Appropriations, 1957	Estimates, 1958
Mutual defense assistance:						
Military assistance.....	\$2,213,000	\$2,138,800	\$1,788,800,000	\$2,013,800,000	-\$199,200,000	+\$225,000,000
Defense support.....	1,161,700	730,000	621,000,000	725,000,000	-436,700,000	+104,000,000
Total, mutual defense assistance.....	3,374,700,000	2,888,800,000	2,409,800,000	2,738,800,000	-635,900,000	+329,000,000
Economic and technical cooperation:						
Development assistance:						
Development loan fund.....	250,000,000	52,000,000	52,000,000	52,000,000	-198,000,000	+100,000,000
Technical cooperation.....	152,000,000	500,000,000	300,000,000	400,000,000	+400,000,000	+1,900,000
Total, economic and technical cooperation.....	402,000,000	168,900,000	142,000,000	143,900,000	-8,100,000	+101,900,000
Other programs.....	230,670,000	391,760,000	494,000,000	595,900,000	+198,900,000	+70,000,000
Total, mutual security:						
Appropriation.....	3,766,570,000	3,386,860,000	2,524,760,000	3,025,660,000	-740,910,000	+500,900,000
Unobligated balance.....	240,800,000	614,600,000	667,650,000	667,650,000	+426,250,000	+52,450,000
Total.....	4,007,370,000	4,001,460,000	3,191,810,000	3,682,710,000	-314,660,000	+500,900,000

SUMMARY OF BILL

The total of the budget estimates submitted in House Document No. 225 dated August 14, 1957, is \$4,001,460,000. Of this amount, new appropriations totaling \$3,386,860,000 are proposed. The reappropriation of \$614,600,000 of unobligated balances of prior year funds is also requested. In addition, the sum of \$93,673,000 remaining unobligated in the President's fund for Asian economic development continues available through June 30, 1958. The total obligational authority contemplated by the Budget for the fiscal year, therefore, is \$4,095,133,000.

The House bill for 1958 includes new appropriations of \$2,524,760,000, together with the reappropriation of unobligated prior year balances in the amount of \$667,050,000. These amounts, together with the carryover balance available from the President's Asian fund, will provide new obligational authority of \$3,285,483,000 for fiscal year 1958 under the House bill.

The committee recommends an appropriation of \$3,025,660,000 in new funds, and the reappropriation of \$667,050,000 of prior year funds, which will provide new obligational authority of \$3,692,710,000. The committee recommendation provides an increase of \$500,900,000 in new funds, which when added to the House bill will provide a total of \$3,786,383,000 including the balance available from the President's Asian fund.

MILITARY ASSISTANCE

Programs included under this general head are designed to provide the military equipment, training, and direct forces support for 40 nations to develop or maintain specific military and related units at a given level of effectiveness.

The authorization request for military assistance was \$1,900,000,000 plus the reappropriation of the unobligated balance which was originally estimated at \$500,000,000. The following table shows the proposed distribution by area of the authorization request of \$2,400,000,000.

Europe	\$338,509,000
Near East, South Asia, and Africa	390,407,000
Asia and Pacific	689,829,000
Latin America	25,956,000
Nonregional	955,299,000

The authorizing legislation provides that not to exceed \$1,600,000,000 may be appropriated for this item. Section 548 of the Mutual Security Act also provides that unexpended balances of funds heretofore made available under authority of that act are authorized to be continued available for the general purposes for which appropriated.

The House bill recommends an appropriation of \$1,250,000,000 for this item plus the reappropriation of \$538,800,000 for a total of \$1,788,800,000.

The committee recommends an appropriation of \$1,475,000,000, an increase of \$225,000,000 over the amount allowed by the House. This amount together with the funds reappropriated will provide a total of \$2,013,800,000 for military assistance.

Language has been included in the bill to continue the availability of funds for military assistance until expended.

DEFENSE SUPPORT

In past years the term "Defense support" included, for nations receiving substantial military assistance, some economic assistance provided for purposes other than defense such as economic development. For fiscal year 1958 there is included under this heading only that aid necessary to enable a country to raise and support military forces for the common defense and to assure the maintenance of United States military bases abroad.

The authorization request for this item was \$900,000,000, as follows:

Europe-----	\$30,000,000
Near East, South Asia and Africa-----	202,000,000
Far East and Pacific-----	668,000,000

The amount for individual countries is classified. The countries included are: Spain, Greece, Iran, Turkey, Pakistan, Ethiopia, Libya, Morocco, Cambodia, Korea, Laos, Philippines, Taiwan, Thailand, and Vietnam.

There was included in the House bill an appropriation of \$585,000,000 plus the reappropriation of \$36,000,000 of prior year balances, making a total of \$621,000,000 available for this item.

The committee recommends an appropriation of \$689,000,000, an increase of \$104,000,000 over the amount allowed by the House. This amount together with the funds reappropriated will provide a total of \$725,000,000 for defense support.

Language has been included in the bill to continue the availability of funds for defense support until expended. The committee also reduced the amount earmarked for Spain from \$40,000,000 to \$35,000,000.

DEVELOPMENT LOAN FUND

The purpose of the development loan fund as stated in section 201 of the act is "to strengthen friendly foreign countries by encouraging the development of their economies through a competitive free enterprise system; to minimize or eliminate barriers to the flow of private investment capital and international trade; to facilitate the creation of a climate favorable to the investment of private capital; and to assist, on a basis of self-help and mutual cooperation, the efforts of free peoples to develop their economic resources and to increase their productive capabilities."

The authorizing legislation provided that not to exceed \$500,000,000 may be appropriated without fiscal year limitation for this fund. In addition, there was authorized to be appropriated to the President without fiscal year limitation, for advances to the fund beginning in the fiscal year 1959, not to exceed \$625,000,000.

The House bill included the sum of \$300,000,000 for this fund, which is a reduction of \$200,000,000 in the amount of the budget estimate and in the amount authorized.

The committee recommends an appropriation of \$400,000,000, an increase of \$100,000,000 over the amount allowed by the House.

The committee is convinced that in the making of loans to foreign countries from the funds herein appropriated, the best interest of the United States will be served if the loan agreements are so drawn that they will provide for both the interest and amortization payments to begin at the end of the first year following the making of the loan. The committee, therefore, has given its approval of the funds here-with appropriated with the understanding that the Department of

State and the Director of the International Cooperation Administration will follow this practice in granting loans to foreign countries.

If exceptional cases should develop where it is clearly in the best interests of the United States to limit first year payments to interest only and to defer starting amortization payments for 2 or 3 years, such exceptional cases should be reported separately—and at the time such loans are consummated—to the 2 Appropriations Committees of Congress together with the reasons why exception was made to the policy outlined in the foregoing paragraph of this report.

DEVELOPMENT ASSISTANCE

No new appropriations are proposed for this item for fiscal year 1958. It is expected that the new development loan fund together with the special assistance authorization carried elsewhere in the bill will take the place of this activity.

However, it was requested in the budget estimate that not to exceed \$52,000,000 of the unobligated balances of funds heretofore made available for development assistance be continued available in fiscal year 1958 for the purposes originally intended. This amount is to cover agreements negotiated during the past year with Saudi Arabia, Burma, and Indonesia, for which obligations could not be recorded because they were not signed prior to June 30, 1957. The committee concurs in the action of the House in including language in the bill to continue this amount available during fiscal year 1958 to honor these agreements.

TECHNICAL COOPERATION

Technical cooperation—known also as point 4—involves the sharing of skills, knowledge, and techniques with people of the underdeveloped areas of the world. Such programs are carried out at the request of foreign governments to supplement their own efforts to increase their levels of technical competence, to further their economic development, and to improve the standard of living of their people. Technical cooperation is extended by sending technicians to participating countries to advise and teach, and by bringing selected foreign technicians to the United States or other countries for advanced training.

Funds have been requested for proposed programs for 57 nations and dependent territories on a direct government-to-government basis, which is the general authorization item. In addition, United States contributions to technical assistance programs through the United Nations are requested in the item, "United Nations Technical Assistance." There is also an item for the Organization of American States.

TECHNICAL COOPERATION, GENERAL AUTHORIZATION

The budget request for this purpose is \$151,900,000. This is broken down by areas as follows:

Area	Budget estimate
Europe	\$3, 500, 000
Near East	23, 960, 000
South Asia	24, 040, 000
Africa	11, 700, 000
Far East and Pacific	39, 000, 000
Latin America	35, 000, 000
Interregional expenses	14, 700, 000

The House bill recommends an appropriation of \$113,000,000, plus the reappropriation of \$12,000,000 of the unobligated balance of prior year funds, making a total of \$125,000,000 available, which is a net reduction of \$26,900,000 in the amount requested.

The committee recommends an appropriation of \$114,900,000, an increase of \$1,900,000 over the amount allowed by the House. This amount together with the funds reappropriated will provide a total of \$126,900,000 for this purpose.

Language has been included in the bill to continue the availability of funds for technical cooperation, general authorization, until expended.

UNITED NATIONS TECHNICAL ASSISTANCE

The House included \$15,500,000 in the bill for this item, which is the full amount of the budget estimate and the authorization.

The committee concurs in the amount allowed by the House. In line with the action taken by the Congress in the authorization act, providing for a graduated reduction of the United States contribution to the United Nations Technical Assistance program, the committee struck out the proviso added by the House, which would limit the United States contribution in calendar year 1958 to 33.33 percent of the United Nations program.

ORGANIZATION OF AMERICAN STATES

The full budget estimate of \$1,500,000 is recommended for 1958. This is the same amount that was approved by the House and the amount provided for 1957.

MALARIA ERADICATION

The authorizing legislation provided that not to exceed \$23,300,000 of the funds authorized could be used during the fiscal year 1958 for malaria eradication. The President's program submitted to the Congress provided \$19,400,000 under the head, "Special assistance, general" for malaria eradication and \$3,900,000 under the head of "Technical cooperation" for the total of \$23,300,000.

The committee recommends that within the sums allowed a total of \$23,300,000 be used for malaria eradication.

OTHER PROGRAMS

Special assistance, general authorization.—The Mutual Security Act of 1957 authorizes the appropriation of not to exceed \$250,000,000 to the President for the fiscal year 1958 for use on such terms and conditions as he may specify for assistance designed to maintain or promote political or economic stability or for assistance in accordance with the provisions of that act applicable to the furnishing of assistance under title I (military assistance and defense support), section 304 (technical cooperation), section 405 (assistance for migrants, refugees, and escapees), or section 407 (Palestine refugees). The authorizing act also provides that \$50,000,000 of the funds authorized for this item may be used for emergencies and contingencies in accordance with the provisions of section 401 (a) of the Mutual Security Act as amended.

The committee was informed that \$100,100,000 has been programmed, and such programming is as follows: \$19,400,000 for malaria eradication; \$10,000,000 for Hungarian refugees; \$3,400,000 for Western European technical exchange; and \$67,300,000 for certain specific countries, the breakdown of which is classified.

The House included in the bill the amount of \$175,000,000 for this item, a reduction of \$75,000,000 in the amount of the budget estimate.

The committee recommends an appropriation of \$225,000,000, an increase of \$50,000,000 over the amount allowed by the House.

The committee also reduced the amount earmarked for Guatemala from \$10,000,000 to \$7,500,000.

Special assistance, Latin America

The authorizing legislation provided for a total of \$25,000,000 for the purpose of promoting economic development in Latin America. In the utilizing of such sum the act provided that preference shall be given to (a) projects or programs that will clearly contribute to promoting health, education, and sanitation in the areas as a whole or among a group or groups of countries of the area, (b) joint health, education and sanitation assistance programs undertaken by members of the Organization of American States and (c) such land resettlement programs as will contribute to the resettlement of foreign and native migrants in the areas as a whole or in any country of the area. The act provided that not less than 90 percent of the funds made available for assistance under this program be on terms of repayment.

The budget estimate submitted under the authorizing legislation provided \$25,000,000 for this purpose which was denied entirely by the House.

The committee recommends an appropriation of \$20,000,000 for special assistance, Latin America.

Special assistance, joint control areas.—This program provides for financial assistance to West Berlin and technical exchange projects in Berlin and Austria. The committee recommends the full authorized amount and budget estimate, \$11,500,000, for this item, which is the same amount approved by the House. The amount recommended is \$700,000 below the funds appropriated for fiscal year 1957 and has included language in the bill to continue the availability of funds for special assistance joint control areas, until September 30, 1958.

Intergovernmental Committee for European Migration.—This Committee was organized in 1951 to facilitate and increase the movement of migrants and refugees from overpopulated countries of Europe who would otherwise not be moved. There are presently 27 governments who are members. It is estimated that approximately 154,950 refugees will be moved during 1958.

The full amount of the budget estimate, \$12,500,000 is recommended for this purpose. This amount is the same as was provided in the House bill and for fiscal year 1957.

United Nations refugee fund.—The United Nations refugee program is a voluntary United Nations program authorized by the General Assembly in 1954 for the purpose of undertaking a program of permanent solutions of the problems of unassimilated refugees coming within the mandate of the Office of the U. N. High Commission for Refugees.

The bill includes \$2,233,000, the amount of the budget estimate and the amount of the House bill. This is the full authorization, for the United States contributions for an 18-month period comprising the

last half of calendar 1957 and all of calendar year 1958. The program is scheduled for completion on December 31, 1958.

Escapee program.—This program is designed to supplement the assistance given by the country of asylum and the voluntary relief agencies to Soviet and satellite escapees in an effort to reestablish the needy escapee into an independent, self-sufficient member of the free world.

An appropriation of \$5,500,000, the full amount of the budget estimate and the authorization, is recommended for this program. This is the same amount approved by the House. The sum allowed is \$500,000 less than the amount appropriated for fiscal year 1957.

United Nations Children's Fund.—The purpose of this program is to improve the health and welfare of children with the principal emphasis on permanently improving rather than temporarily relieving adverse child health conditions. During calendar year 1956 the fund contributed to 311 projects in 98 countries and territories which benefited an estimated 37,000,000 children and mothers.

The committee recommends the full authorization and the amount of the budget estimate, \$11,000,000 for this item. This is the same amount approved by the House. This is an increase of \$1,000,000 over the amount appropriated in fiscal year 1957.

United Nations Relief and Works Agency.—This organization is concerned with relief and rehabilitation of the Arab refugees from Palestine.

The 1956 appropriation bill provided \$62,000,000 for this program, \$58,366,750 by new appropriation and \$3,633,250 by reappropriation of unobligated balances of prior year funds. For fiscal year 1957, the unobligated balance of \$45,300,000 was reappropriated. It is estimated that \$23,800,000 of that amount was unobligated as of June 30, 1957. The committee concurs in the action of the House in recommending language in the bill continuing that balance available through June 30, 1958.

North Atlantic Treaty Organization.—The committee concurs in the action of the House and has included in the bill \$1,500,000 for the NATO civilian headquarters in Paris. This amount is a reduction of \$1,200,000 in the budget estimate.

Ocean freight.—The committee recommends the budget estimate, \$2,200,000, for the payment of ocean freight charges on relief shipments by voluntary agencies. This is the full amount authorized for fiscal year 1958, and the amount approved in the House bill.

Control Act expenses.—The Director of the International Cooperation Administration is responsible for the administration of the Mutual Defense Assistance Control Act of 1951 (Battle Act) for controlling exports of strategic materials to the countries behind the Iron Curtain by countries which receive United States aid. The committee recommends the sum of \$1,000,000 for this item, which is the amount of the budget estimate and the full authorization therefor. This is the same amount approved in the House bill. This amount is \$175,000 below the appropriation for fiscal year 1957.

General administrative expenses.—The bill includes the budget estimate of \$32,750,000 for necessary administrative expenses for the International Cooperation Administration and the refugee and migration program. This sum is identical with the sum recommended by the House. This is the same amount as contained in the authorization legislation. The amount included is \$2,581,100 over the amount

provided for fiscal year 1957 when eomparative transfers are taken into consideration. Approximately \$1,100,000 of the inerease is for payment into the eivil service retirement fund. The remainder of the inerease is primarily to cover full year salary eosts for personnel employed on a part-year basis in 1957, new missions, and to strengthen the audit-eontrol activity.

Atoms for peace.—In lieu of the new appropriation of \$7,000,000 requested, the committee concurs in the action of the House in recommending the reappropriation of the unobligated balance of \$4,450,000 for this program, which has for its purpose the promotion of the peaceful uses of atomie energy abroad. An appropriation of \$5,500,000 was made for this item for fiseal year 1957. Of that amount \$1,050,000 was obligated through June 30, 1957, leaving about 80 percent of the 1957 appropriation unobligated.

Administrative expenses, State.—The bill includes \$4,577,000 for administrative expenses of the Department of State which are incurred for the functions directly related to the mutual security program and the United States regional office, Paris. This is the same amount approved in the House bill. The amount allowed is approximately the same as the amount provided for fiscal year 1957. This appropriation was previously included in the item of administrative expenses for the International Cooperation Administration. The Mutual Security Act of 1956 authorized a separate appropriation for this item.

Languange has been included in the bill which would permit funds appropriated for State Department mutual security administrative expenses to be eonsolidated with other appropriations for Department of State administrative expenses.

PUBLICITY OR PROPAGANDA

The following provision, adopted on the floor of the House has been amended by the committee as indicated:

SEC. 102. No part of any appropriation contained in this Act shall be used for publicity or propaganda purposes ~~not heretofore authorized by the Congress within the United States.~~

LIMITATION ON MAY-JUNE OBLIGATIONS

The eommittee recommends that the following provision ineluded in the House bill be strieken:

SEC. 106. Except for the appropriations entitled "Special assistance, general authorization" and "Development loan fund", not more than 20 per centum of any appropriation item made available by this Act shall be obligated and/or reserved during the last two months of the fiscal year.

AID TO SCHOOLS AND LIBRARIES ABROAD

The authorizing legislation in section 400 (c) authorized the use of not to exceed \$10,000,000 for assistance to schools and libraries abroad. The House inserted section 107 providing that none of the funds shall be available for this purpose. The House provision, whieh has been stricken from the bill by the committee, reads as follows:

SEC. 107. None of the funds made available by this Act shall be used to carry out the purposes of the first sentence of section 400 (c) of the Mutual Security Act of 1954, as amended.

**COMPARATIVE STATEMENT OF APPROPRIATIONS FOR 1957, ESTIMATES FOR 1958, AND AMOUNTS
RECOMMENDED IN BILL FOR 1958**

Items	Appropriations, 1957	Estimates, 1958	Recommended in House bill, 1958	Senate bill, 1958	Senate bill compared with—	
					Appropriations, 1957	Estimates, 1958
MUTUAL DEFENSE ASSISTANCE						
Military assistance:						
Appropriation.....	\$2,017,500,000	\$1,600,000,000	\$1,250,000,000	\$1,475,000,000	-\$542,500,000	+\$225,000,000
Unobligated and unreserved balance.....	195,500,000	538,800,000	538,800,000	538,800,000	+343,300,000	
Total, military assistance.....	2,213,000,000	2,138,800,000	1,788,800,000	2,013,800,000	-199,200,000	-125,000,000
Defense support:						
Appropriation.....	1,161,700,000	750,000,000	585,000,000	689,000,000	-472,700,000	-61,000,000
Unobligated balance.....			36,000,000	36,000,000	+36,000,000	+36,000,000
Total, defense support.....	1,161,700,000	750,000,000	621,000,000	725,000,000	-436,700,000	-25,000,000
Total, mutual defense assistance.....	3,374,700,000	2,888,800,000	2,499,800,000	2,738,800,000	-635,900,000	-150,000,000
ECONOMIC AND TECHNICAL COOPERATION						
Development assistance:						
Appropriation.....	250,000,000					-250,000,000
Unobligated balance.....		52,000,000	52,000,000	52,000,000	+52,000,000	
Total, development assistance.....	250,000,000	52,000,000	52,000,000	52,000,000	-198,000,000	
Development loan fund.....		500,000,000	300,000,000	400,000,000	+400,000,000	-100,000,000
Technical cooperation:						
General authorization:						
Appropriation.....	135,000,000	151,900,000	113,000,000	114,900,000	-20,100,000	-37,000,000
Unobligated balance.....			12,000,000	12,000,000	+12,000,000	+12,000,000
Total.....	135,000,000	151,900,000	125,000,000	126,900,000	-8,100,000	+1,900,000

MUTUAL SECURITY APPROPRIATION BILL, 1958

11

United Nations program	15,500,000	15,500,000	15,500,000	15,500,000
Organization of American States.....	1,500,000	1,500,000	1,500,000	1,500,000
Total, technical cooperation	152,000,000	168,900,000	142,000,000	143,900,000
Total, economic and technical cooperation	402,000,000	720,900,000	494,000,000	595,900,000
OTHER PROGRAMS				
Special assistance, general authorization.....	250,000,000	175,000,000	225,000,000	+225,000,000
Special assistance, Latin America.....	25,000,000	-	20,000,000	+20,000,000
Special Presidential fund.....	100,000,000	-	-100,000,000	-100,000,000
Special assistance, joint control areas	12,200,000	11,500,000	11,500,000	-700,000
Intergovernmental Committee for European Migration.....	12,500,000	12,500,000	12,500,000	-
United Nations Refugee Fund.....	1,900,000	2,233,000	2,233,000	+333,000
Escapee program	6,000,000	5,500,000	5,500,000	-500,000
United Nations Relief and Works Agency:				
Unobligated balance.....	45,300,000	23,800,000	23,800,000	-21,500,000
United Nations Children's Fund.....	10,000,000	11,000,000	11,000,000	+1,000,000
North Atlantic Treaty Organization (civilian headquarters)	2,700,000	1,500,000	1,500,000	+1,500,000
Ocean freight.....	2,500,000	2,200,000	2,200,000	-300,000
Control act expenses	1,175,000	1,000,000	1,000,000	-175,000
Administrative expenses:				
General (ICA and refugee and migration program).....	29,018,900	32,750,000	32,750,000	+3,731,100
State Department.....	4,576,100	4,577,000	4,577,000	+900
Atoms for peace:				
Appropriation.....	5,500,000	7,000,000	-	-5,500,000
Unobligated balance	5,500,000	-	4,450,000	+4,450,000
Total, atoms for peace.....	5,500,000	7,000,000	4,450,000	-50,000
Total, other programs.....	230,670,000	391,760,000	358,010,000	+127,340,000
				-33,750,000
				+70,000,000

Comparative statement of appropriations for 1957, estimates for 1958, and amounts recommended in bill for 1958—Continued

Items	Appropriations, 1957	Estimates, 1958	Recommended in House bill, 1958	Senate bill compared with—	
				Senate bill, 1958	Senate bill, 1957 Appropriations, 1957
OTHER PROGRAMS—continued					
Total, mutual security:					
Appropriation.....	\$3,766,570,000	\$3,386,860,000	\$2,524,760,000	\$3,025,660,000	-\$740,910,000
Unobligated balance.....	240,800,000	614,600,000	667,050,000	667,050,000	+426,250,000
Total.....	4,007,370,000	4,001,460,000	3,191,810,000	3,692,710,000	-314,660,000



Calendar No. 1151

85TH CONGRESS
1ST SESSION

H. R. 9302

[Report No. 1117]

IN THE SENATE OF THE UNITED STATES

AUGUST 16, 1957

Read twice and referred to the Committee on Appropriations

AUGUST 26, 1957

Reported by Mr. HAYDEN, with amendments

[Omit the part struck through and insert the part printed in italic]

AN ACT

Making appropriations for Mutual Security for the fiscal year ending June 30, 1958, and for other purposes.

1 *Be it enacted by the Senate and House of Representa-*
2 *tives of the United States of America in Congress assembled,*
3 That the following sums are appropriated, out of any money
4 in the Treasury not otherwise appropriated, for the fiscal
5 year ending June 30, 1958, namely:

MUTUAL SECURITY

FUNDS APPROPRIATED TO THE PRESIDENT

8 For expenses necessary to enable the President to carry
9 out the provisions of the Mutual Security Act of 1954, as
10 amended, to remain available until June 30, 1958 unless
11 otherwise specified herein, as follows:

1 Military assistance: For assistance authorized by sec-
2 tion 103 (a) to carry out the purposes of title I, chapter 1
3 (including administrative expenses as authorized by section
4 103 (b), which shall not exceed \$23,500,000 for the fiscal
5 year 1958 *and purchase of passenger motor vehicles for re-*
6 *placement only*), ~~\$1,250,000,000~~ \$1,475,000,000, *to remain*
7 *available until expended*; and in addition not to exceed
8 \$538,800,000 of unobligated and unreserved balances of
9 funds heretofore made available for purposes of section 103
10 (a) and section 104 are continued available *until expended*
11 for the purposes of section 103 (a);

12 Defense support: For assistance authorized by section
13 131 (b), ~~\$585,000,000~~ \$689,000,000, *to remain available*
14 *until expended*; and in addition \$36,000,000 of unobligated
15 balances of funds heretofore made available for purposes of
16 section 131 are continued available for the purposes of that
17 section: *Provided*, That not less than ~~\$40,000,000~~ \$35,-
18 000,000 thereof shall be available for Spain, exclusive of
19 technical cooperation;

20 Development assistance: Not to exceed \$52,000,000
21 of unobligated balances of funds heretofore made available
22 for purposes of development assistance are hereby continued
23 available for the purposes for which originally appropriated;

24 Development Loan Fund: For advances to the Develop-

1 ment loan fund as authorized by section 203, \$300,000,000
2 \$400,000,000, to remain available until expended;

3 Technical cooperation, general authorization: For assist-
4 ance authorized by section 304, \$113,000,000 \$114,900,-
5 000, to remain available until expended; and in addition not
6 to exceed \$12,000,000 of unobligated balances of funds
7 heretofore made available for purposes of section 304 are
8 continued available for the purposes of that section;

9 United Nations expanded program of technical assist-
10 ance: For contributions authorized by section 306 (a),
11 \$15,500,000: *Provided*, That the United States contribu-
12 tion to the 1948 calendar year program shall not exceed
13 33.33 per centum of the United Nations program;

14 Technical cooperation programs of the Organization of
15 American States: For contributions authorized by section
16 306 (b), \$1,500,000;

17 Special assistance, general authorization: For assistance
18 authorized by section 400 (a), \$175,000,000 \$225,000,-
19 000: *Provided*, That not less than \$10,000,000 \$7,500,000
20 shall be available for Guatemala;

21 Special assistance, Latin America: For assistance
22 authorized by section 400 (b), \$20,000,000, to remain
23 available until expended;

24 Special assistance in joint control areas in Europe: For

1 assistance authorized by section 403, \$11,500,000, which
2 shall remain available until September 30, 1958;

3 Intergovernmental Committee for European Migration:
4 For contributions authorized by section 405 (a), \$12,500,-
5 000: *Provided*, That no funds appropriated in this Act shall
6 be used to assist directly in the migration to any nation in the
7 Western Hemisphere of any person not having a security
8 clearance based on reasonable standards to insure against
9 Communist infiltration in the Western Hemisphere;

10 United Nations Refugee Fund: For contributions
11 authorized by section 405 (c), \$2,233,000;

12 Escapee program: For assistance authorized by section
13 405 (d), \$5,500,000;

14 United Nations Children's Fund: For contributions
15 authorized by section 406, \$11,000,000;

16 United Nations Relief and Works Agency: Not to ex-
17 ceed \$23,800,000 of unobligated balances of funds hereto-
18 fore made available for purposes of section 407 are continued
19 available for purposes of that section;

20 North Atlantic Treaty Organization: For contributions
21 for the construction of the North Atlantic Treaty Organiza-
22 tion civilian headquarters as authorized by section 408,
23 \$1,500,000;

24 Ocean freight charges, United States voluntary relief

1 agencies: For payments authorized by section 409 (c),
2 \$2,200,000;

3 Control Act expenses: For carrying out the purposes of
4 the Mutual Defense Assistance Control Act of 1951, as
5 authorized by section 410, \$1,000,000;

6 General administrative expenses: For expenses author-
7 ized by section 411 (b), \$32,750,000;

8 Atoms for Peace: Not to exceed \$4,450,000 of unobli-
9 gated balances of funds heretofore made available for purposes
10 of section 12 of the Mutual Security Act of 1956 are hereby
11 continued available for the purposes of section 419;

12 Funds appropriated under each paragraph of this Act
13 (other than appropriations under the head of military assist-
14 ance), including specified amounts of unobligated balances,
15 and amounts certified pursuant to section 1311 of the Sup-
16 plemental Appropriation Act, 1955, as having been obli-
17 gated against appropriations heretofore made for the same
18 general purpose as such paragraph, which amounts are
19 hereby continued available (except as may otherwise be
20 specified in this Act) for the same period as the respective
21 appropriations in this Act for the same general purpose,
22 may be consolidated in one account for each paragraph.

1 DEPARTMENT OF STATE

2 Administrative expenses: For expenses of the Department
3 of State as authorized by section 411 (c) of the Mutual
4 Security Act of 1954, as amended, \$4,577,000: *Provided,*
5 *That the Secretary of State is authorized to transfer funds*
6 *herein appropriated to any appropriation available for ad-*
7 *ministrative expenses of the Department of State for the*
8 *current fiscal year, and any funds so transferred shall be*
9 *accounted for as part of the appropriations to which they*
10 *are transferred.*

11 GENERAL PROVISIONS

12 SEC. 102. No part of any appropriation contained in this
13 Act shall be used for publicity or propaganda purposes ~~not~~
14 heretofore authorized by the Congress *within the United*
15 *States.*

16 SEC. 103. Payments made from funds appropriated
17 herein for engineering fees and services to any individual
18 engineering firm on any one project in excess of \$25,000
19 shall be reported to the Committees on Appropriations of the
20 Senate and House of Representatives at least twice annually.

21 SEC. 104. Pursuant to section 1415 of the Supplemental
22 Appropriation Act, 1953, and in addition to other amounts
23 made available pursuant to said section, not to exceed the
24 equivalent of \$300,000 of foreign currencies or credits owed

1 to or owned by the United States shall remain available
2 until expended, without reimbursement to the Treasury,
3 for liquidation of obligations incurred against such currencies
4 or credits prior to July 1, 1953, pursuant to authority con-
5 tained in the Mutual Security Act of 1951, as amended,
6 and Acts for which funds were authorized by that Act and,
7 hereafter, foreign currencies generated under the provisions
8 of this Act shall be utilized only for the purposes for which
9 the funds providing the commodities which generated the
10 currency were appropriated.

11 SEC. 105. None of the funds provided by this Act nor
12 any of the counterpart funds generated as a result of assist-
13 ance under this or any other Act shall be used to make pay-
14 ments on account of the principal or interest on any debt
15 of any foreign government or on any loan made to such
16 government by any other foreign government; nor shall
17 any of these funds be expended for any purpose for which
18 funds have been withdrawn by any recipient country to
19 make payment on such debts: *Provided*, That to the
20 extent that funds have been borrowed by any foreign
21 government in order to make a deposit of counterpart and
22 such deposit is in excess of the amount that would be re-
23 quired to be deposited pursuant to the formula prescribed
24 by section 142 (b) of the Mutual Security Act of 1954,

1 as amended, such counterpart may be used in such country
2 for any agreed purpose consistent with the provisions of
3 such Act.

4 SEC. 106. Except for the appropriations entitled "Spe-
5 cial assistance, general authorization" and "Development
6 loan fund", not more than 20 per centum of any appro-
7 priation item made available by this Act shall be obligated
8 and/or reserved during the last two months of the fiscal
9 year.

10 SEC. 107. None of the funds made available by this
11 Act shall be used to carry out the purposes of the first
12 sentence of section 400 (e) of the Mutual Security Act of
13 1954, as amended.

14 SEC. 108 106. The appropriations and authority with re-
15 spect thereto in this Act shall be available from July 1, 1957,
16 for the purposes provided in such appropriations and author-
17 ity. All obligations incurred during the period between
18 June 30, 1957, and the date of enactment of this Act in an-
19 ticipation of such appropriations and authority are hereby
20 ratified and confirmed if in accordance with the terms hereof.

21 SEC. 109 107. The Congress hereby reiterates its opposi-
22 tion to the seating in the United Nations of the Communist
23 China regime as the representative of China, and it is hereby
24 declared to be the continuing sense of the Congress that the
25 Communist regime in China has not demonstrated its will-

1 ingness to fulfill the obligations contained in the Charter of
2 the United Nations and should not be recognized to represent
3 China in the United Nations. In the event of the seating of
4 representatives of the Chinese Communist regime in the
5 Security Council or General Assembly of the United Nations,
6 the President is requested to inform the Congress insofar as is
7 compatible with the requirements of national security, of the
8 implications of this action upon the foreign policy of the
9 United States and our foreign relationships, including that
10 created by membership in the United Nations, together with
11 any recommendations which he may have with respect to
12 the matter.

13 SEC. 410 108. This Act may be cited as the "Mutual
14 Security Appropriation Act, 1958".

Passed the House of Representatives August 15, 1957.

Attest:

RALPH R. ROBERTS,

Clerk.

85TH CONGRESS
1ST SESSION
H. R. 9302

[Report No. 1117]

AN ACT

Making appropriations for Mutual Security for the fiscal year ending June 30, 1958, and for other purposes.

AUGUST 16, 1957

Read twice and referred to the Committee on Appropriations

AUGUST 26, 1957

Reported with amendments

Support of concerted research efforts to exploit rapidly and fully clinically promising scientific leads; for example, in the chemotherapy of mental illness.

An example of congressional insight into the research process is to be found in this year's report of the Senate Appropriations Committee. The report states, "It is increasingly clear that rapid progress into the conquest of disease is dependent in large part on the availability of a large body of basic scientific knowledge from which advances against heart disease, cancer, mental illness, and other major killers and cripplers of our time can be derived."

But Congress recognizes that basic research requires more than money and laboratories. It requires skilled personnel. In last year's report to the House, the Appropriations Committee said, "The committee calls particular attention to the urgency of taking steps at this time to insure that an adequate supply of medical research scientists will be available in the years ahead. No aspect of the Federal program for support of medical research is more significant than manpower training."

This is certainly true. In addition to meeting its growing personnel needs because of an expanding program, medical research faces the competition of the higher economic returns of private practice. Today, both the average general practitioner and specialist engaged in private practice can easily earn 2 to 3 times as much as the research scientist. Congress has wisely attempted to offset this to some degree by providing sufficient funds for increased salaries for scientists engaged in research aided by Federal grants.

By urging more basic research and directing an expansion of efforts to train and retain medical scientists, Congress has shown that its interest has not been limited to insuring that adequate money is available. It has shown an awareness of the fundamental as well as the more obvious needs of medical science.

An inherent fundamental aspect of democracy is the right and privilege of each citizen to criticize his elected representatives freely. This is a prerogative that most of us exercise freely. It is neither valid nor fair, however, when applied to congressional action on the highly professional and technical matters of medical research.

OUTSIDE ADVICE SOUGHT

Our national medical research policy has evolved on a sound basis because of close and sympathetic understanding between the executive and legislative branches of our Government and our private organizations. Congress at all times has wisely sought the advice of outstanding leaders in all fields relating to medicine. The formation of our national policies for medical research by congressional leaders has been both democratic and intelligent.

The legislative process has translated the public interest in relieving human suffering caused by disease into support of medical research with consummate effectiveness, and has done this with remarkable sensitivity to the conditions prerequisite to the vigorous growth of science. On the one hand, a complex set of scientific questions have been brought into the public forum in a manner understandable to the layman. On the other hand, medical research has been harnessed to the public interest without injuring the freedom essential to success. This is democracy operating at its best.

AUTHORIZATION FOR COMMITTEE ON APPROPRIATIONS TO FILE REPORT ON MUTUAL SECURITY APPROPRIATION BILL

Mr. JOHNSON of Texas. Mr. President, I should like to announce that the

hearings on the mutual security appropriation bill will be on each Senator's desk this afternoon. The bill has been ordered reported.

I should like all Senators to know that we expect to bring the bill up as soon as the reports are available.

I ask unanimous consent, Mr. President, that the Committee on Appropriations be permitted to file its report even though the Senate is not in session, and that it be in order to consider the bill when the report is available to Members.

The PRESIDING OFFICER. Is there objection to the request of the Senator from Texas? The Chair hears none, and it is so ordered.

DREDGING OF UPSTREAM NAVIGATION CHANNEL ON COLUMBIA RIVER TO PROJECT DEPTH OF 27 FEET

Mr. NEUBERGER. Mr. President, recently there was some controversy in the House of Representatives over an item of \$425,000 for beginning work on the Columbia River upstream navigation channel, after some of us had been successful in having this undertaking included in the supplemental appropriation bill. The project involves restoring to authorized depth of 27 feet the channel from Vancouver, Wash., to The Dalles, Oreg. Once the Corps of Engineers had dredged the channel to this necessary extent, but it had been allowed to fill with silt, snags, and boulders during recent years.

Because of the controversy in the House—a controversy which becomes ironic when we contemplate that this was an item of \$425,000 in a bill carrying total sums of \$1,734,011,947—I desire to call to the attention of the Senate the testimony which the distinguished senior Senator from Montana [Mr. MURRAY] and I submitted to the Senate Appropriations Committee on August 14, 1957. This was the day when the Senate Committee formally added the \$425,000 item to the supplemental appropriation bill.

Senator MURRAY and I stressed the fact that the Columbia River is the sole navigable waterway that trenches through the great Cascade-Sierra Mountain barrier, which shuts off the Pacific seaboard from the intermountain region and which extends from British Columbia far into Mexico. Can such a river be denied its commercial and economic potential because of comparatively small appropriation allowances, in the great scheme of things?

Of course, I want to add my appreciation to that of Senator MURRAY for the characteristic patience, understanding and thoroughness with which our request was considered by the beloved chairman of the Appropriations Committee [Mr. HAYDEN], who is admired by us all because he uses his great influence with such restraint and fairness.

When Senator HAYDEN celebrates his 80th birthday this fall, many of us in the Pacific Northwest will know that his long life and his long career have been of immense benefit and value to our own region.

Mr. President, I ask unanimous consent to have printed in the body of the

CONGRESSIONAL RECORD the testimony presented to the Senate Appropriations Committee on August 14, 1957, by the senior Senator from Montana [Mr. MURRAY] and myself in behalf of the \$425,000 item for dredging to project depth of 27 feet the Columbia River navigation channel between Vancouver and The Dalles.

There being no objection, the testimony was ordered to be printed in the RECORD, as follows:

STATEMENT OF HON. JAMES E. MURRAY, A UNITED STATES SENATOR FROM THE STATE OF MONTANA

DREDGING OF COLUMBIA RIVER CHANNEL

Chairman HAYDEN. The committee will come to order.

We will be pleased to hear from you now, Senator MURRAY.

Senator MURRAY. Mr. Chairman and members of the committee, in my many years as a Member of the United States Senate there has never been called to my attention a project with greater merit than the proposal that the Columbia River be dredged to a channel depth of 27 feet from Vancouver to The Dalles.

The agricultural, mining, and general economy of Montana, as well as the other Northwestern States vitally needs the easy access to deep-water ports that would result from deepening of the Columbia River channel.

All the evidence clearly shows that this great inland agricultural-mining empire requires this facility if it is to come into its own in the economic life of the Nation.

The wheatgrowers of the Northwest would be particularly benefited, and there is clear evidence that more than 200 ships of 8,000 tons each will annually carry a variety of agricultural products over this waterway when it is deepened. This will make possible an average savings of \$1.68 per ton in transportation charges.

In addition to these more than 200 ships carrying agricultural products, newly established industrial development at The Dalles will call for the movement of 35 to 40 ships of 10,000-ton capacity in and out of The Dalles annually.

The producers of fresh fruits would also be greatly benefited by deep draft navigation on the Columbia. It has been conservatively estimated, for instance, that from 20,000 to 40,000 barrels of cherries would be shipped annually over this inland waterway at a transportation saving approximately \$1 per barrel.

The Federal Government would directly benefit through the Commodity Credit Corporation being enabled to use the ship channel, at greatly lowered transportation costs, for the movement of surplus grains destined for Far Eastern countries.

I need not remind this committee that the channel deepening from Vancouver to Bonneville Dam has been authorized since 1937 to a depth of 27 feet. Then in 1946 Congress extended the authorization from Bonneville Dam to The Dalles. In recent years past, however, irrespective of authorization, the channel has been maintained to a depth of only 15 feet.

Appropriation request

I urge the committee to implement the authorization by appropriating the sum of \$500,000 to get the initial dredging underway.

The economic development and welfare of a vast area—the entire Pacific Northwest—cries for this appropriation, and I urge you to answer the cry.

Thank you, Mr. Chairman, for giving me this opportunity to appear.

Chairman HAYDEN. What I cannot understand, Senator, is that here is an authorization that was made for this extra depth 10 years ago, and yet we have done nothing about it. And the agitation in favor of chan-

nelizing the streams in the eastern part of the United States is kept on regularly. You take the great harbors of the Atlantic coast, like for instance Norfolk. Since the advent of these greater tankers they could not come into the harbors without having to lighten part of their load, and deepening of the channels has enabled the ships to land and bring in their oil from abroad and make it so that the cost of fuel is less in the community. We are deepening the channel of the Delaware River to bring in iron ore.

Senator MURRAY. Yes.

Chairman HAYDEN. I have been on this committee quite a time, and I am just wondering why there has not been more effort made in the past 10 years to get something done.

Senator MURRAY. Well, I guess we are not as experienced as they are in the East in handling these political problems. It does seem to me that there has been a little neglect there.

Chairman HAYDEN. It does seem to me that the West is behind the times. That is why I brought out the question.

Senator MURRAY. It is very important that we get cheap transportation. For instance, in Montana we could have a big chrome industry there. Instead, chrome is brought all the way across the ocean from Africa to be processed in Memphis, Tenn.; yet we have the chrome right there in Montana.

Chairman HAYDEN. But you do not have the water transportation.

Senator MURRAY. That is it.

Chairman HAYDEN. I thank you for your statement.

Senator NEUBERGER?

STATEMENT OF HON. RICHARD L. NEUBERGER, A UNITED STATES SENATOR FROM THE STATE OF OREGON

COLUMBIA RIVER PROJECT

Senator NEUBERGER. I was listening to Senator MURRAY's very able testimony, and as usual he was very thorough. I will not go into the statistical details which he gave you so well.

I would just like to explain the answer to the very logical and very reasonable question which you put.

The Columbia River, as I think you know, is the only river that cuts through the great mountains that rise above the Pacific Ocean. There is no other waterway between the great Intermountain West and the Pacific Ocean except the Columbia River. It cuts through the Cascade Range, which is the continuation of the Sierra Range. God made one mountain range, but it is called the Cascades in the north and the Sierras as it extends on into Mexico.

That river has been a natural avenue for navigation since Lewis and Clark came down it with the American flag in 1805.

Indeed, when Meriwether Lewis sent his reports to Thomas Jefferson, he said then that this was a great avenue of commerce. And Thomas Jefferson, in the first papers ever written by any American President about the American West, envisioned a great commercial empire on the Columbia River because of its navigability. As we know, water transportation was then the only means of travel except by horseback or on foot.

But there have been barriers to navigation on the Columbia River in the form of rapids which act as blockades.

The first great rapids was Cascade Rapids, which Bonneville Dam inundated. Bonneville Dam, however, did not inundate Cascade Rapids until 1938. President Roosevelt came to Bonneville in 1937. I think you remember that. Senator McNary introduced him. It was a great event. And President Roosevelt dedicated Bonneville on that date, and in 1938 the river was sealed off and power production began and Cascade Rapids was inundated beneath the pool.

So that meant that for the first time navigation began into the upper river. So you

see, it was only 20 years ago that any navigation at all began on the section of the Columbia.

Umatilla Rapids

But there was still another great obstacle, and that was Umatilla Rapids located about 120 or 130 miles above Bonneville. It was very difficult to contemplate use of barges and diesel tugs as long as Umatilla Rapids remained. But the dam that is taking care of Umatilla Rapids is McNary Dam, named for your old colleague and your former associate in the Senate. And today McNary Dam is completed. Every generator has not been put in, but it is in operation, both powerwise and navigationwise.

So with the inundations by the pools back of Bonneville Dam and McNary Dam of the two main rapids which were obstacles to successful navigation, the impetus began to use the upper Columbia for water transportation.

Bonneville Dam was constructed at a cost of approximately \$88 million—which seems so little now for a great dam, does it not? McNary cost about \$320 million. The question before us today is this: Are we going to allow a bottleneck of maybe \$8 or \$10 million prevent the full use of those dams for navigation? Because as long as you have the channel silted over, filled with snags, clogged with all kinds of debris, sand, and gravel, that come down a great swift flowing river like the Columbia, you cannot make use of the pools that over \$400 million worth of dams have created.

Authorization for channel depth

Now, Senator MURRAY very properly pointed out the channel above Vancouver is authorized for a depth of 27 feet and a width of 300 feet. However, maintenance has lagged and the depth now is only 15 feet. But the great pressure in recent years for bringing petroleum and manufactured products and alumina ore and other commodities or raw materials upstream and then taking downstream wheat and apples and other farm products of the intermountain region back of the Cascades—that all dates from the completion of Bonneville and McNary Dams.

Now, you know the size of the appropriations that this committee regularly authorizes for navigation on the Mississippi River, on the Ohio River, on the Delaware River, and in the great seacoast harbors of the Eastern States. Why, this little \$500,000 appropriation that was knocked out is in comparison a mere bagatelle. And yet it would be very important to making some use, not full use but some use, of the navigation possibilities of the greatest river system we have in the West.

Magnitude of Columbia River

You know, Mr. Chairman, I have recently been working on an article for Harper's magazine about the Columbia River. And I do not think anybody realizes that magnitude of the Columbia River. The Columbia River at its maximum flow, when all the great ranges in British Columbia, in Canada, are melting to their maximum, carries across the border and down into the United States five-sixths of the maximum flow of the Mississippi. That is the extent of the Columbia River. It carries down to the sea 180 million acre-feet of water. I think your great Colorado River has 17 or 18 million feet.

Chairman HAYDEN. I looked up the records one day, and my recollection is that more water runs into the Columbia River out of the Pend Oreille than there is in the whole Colorado River system.

Senator NEUBERGER. I am sure that there is no doubt about that. This is a thing that I know is correct, because these figures are very vivid in my mind.

The Colorado system has about 17 or 18 million acre-feet.

The Columbia, where it crosses the border out of Canada, hasn't picked up a single drop of water in the United States. It has not picked up the Snake. It has not picked up the Deschutes or any of the great rivers that we know in the United States. The Columbia, where it crosses the border out of Canada, has 62 million acre-feet; this shows you what a river it is. Here is the only river that offers any competitive factor with the railroads and the trucklines for travel through the mountains of the intermountain west, of the Cascades. And we in the Northwest are being choked by high freight rates.

Unemployment crisis

The Senator from Montana made an outstanding speech on the Senate floor the other day about the unemployment crisis that grips our region. One of the big factors is truck and railroad freight rates. As you and I know, Senator MURRAY, industrial development in our States is virtually impossible because of this great rate factor.

The Columbia offers the only possible competition to the railroads and the trucklines. We need \$500,000 to dredge this channel down to project depth and then continuation of appropriations so that it can be maintained at project depth. It just seems to me tragic not to—

Senator CHAVEZ. Was that the authorization that we took care of the other day in public works?

Senator NEUBERGER. No; this has been authorized for many years. This project from Vancouver to The Dalles was authorized in two pieces. First, in 1937, from Vancouver to Bonneville pool, when Bonneville was built, and then in 1946 from Bonneville pool to The Dalles, when it became obvious that dams such as McNary Dam and the Dalles Dam would be built on the upper river.

Condition of The Dalles

Senator CHAVEZ. What about The Dalles? What is the condition of that now?

Senator NEUBERGER. The structure is virtually completed, but none of the power equipment has been installed. But the river has been sealed off. And already the pool back of The Dalles has started to flood out the Indian fishing grounds.

Senator CHAVEZ. Tell me now: What about the Indians?

Indian problem

Senator NEUBERGER. Well, your committee appropriated for the Indians, if I am not mistaken, \$26,900,000. That was to reimburse the Indians for the loss of their ancestral fishing rights. And I think that some of the Indians regard that as not generous, but I believe that on the whole it was a quite adequate appropriation. The Indians have a very sentimental feeling about this area.

Senator CHAVEZ. Besides that, now, the practical end of it—as I recall, this would not provide that with the money appropriated for the Indians they could still go further and get their ancestral homes.

Senator NEUBERGER. You provided that they could go to their fishing grounds. In all candor, though, there are none in the Columbia to match those at Celilo. There is no other place at which so many salmon can be caught.

However, I do want to say that the greatest escapement up into the headwaters of the river has been experienced this year—way up into the Salmon and the Clearwater, up into the Continental Divide, where Lewis and Clark first crossed the mountains. This great escapement has occurred. I believe, because Indian fishery formerly made such deprecations on the fish going upstream.

But your committee provides, I think, quite adequately, \$26,900,000. Is that not the correct figure, Colonel?

If it is not correct, would you correct it in the record for me? I believe it is, though. (The Corps of Engineers subsequently ad-

Article entitled "Monorail and Our Rapid Transit Problems," published in the Berkeley (Calif.) Daily Gazette on June 22, 1957.

By Mr. NEUBERGER:

Poem by Norma Farber entitled "The Night Before America," published in the Christian Science Monitor of October 12, 1956.

Article entitled "Miss Patricia Alien, of Grants Pass, and American Friends Service Committee," from the Oregonian of August 19, 1957.

Article entitled "Where the Old West Lives on," from the Reader's Digest for September 1957.

Article entitled "The Lake on Top of a Volcano," written by William E. Bohn, published in the New Leader for August 26, 1957.

By Mr. CURTIS:

Statement by George A. Carrico, in opposition to new regulations proposed by the Alcohol and Tobacco Tax Unit of the Internal Revenue Service of the United States Treasury, to be presented August 27, 1957.

By Mr. JOHNSTON of South Carolina:

Article entitled "Personnel Management as a Service to Agency Operations," written by William G. Torpey, and published in Social Science for June 1957.

NOTICE OF HEARING ON NOMINATION OF ROBY C. THOMPSON TO BE UNITED STATES DISTRICT JUDGE FOR THE WESTERN DISTRICT OF VIRGINIA

Mr. EASTLAND. Mr. President, on behalf of the Committee on the Judiciary, I desire to give notice that a public hearing has been scheduled for Tuesday, August 27, 1957, at 11 a. m., in room 424, Senate Office Building, upon the nomination of Roby C. Thompson, of Virginia, to be United States district judge for the western district of Virginia, vice Alfred D. Barksdale, retired.

As the indicated time and place all persons interested in the above nominations may make such representations as may be pertinent.

IRON ORE DEPOSITS IN MONTANA

Mr. MANSFIELD. Mr. President, in the last few weeks I have discussed on the senate floor the recent developments of new iron ore deposits in Montana. Available reports indicate that some of these deposits are among the richest in this country. These iron ore deposits immediately awakened interest in the possibility of a steel mill being established in my State.

My distinguished colleagues, the senior Senator from Montana [Mr. MURRAY] was one of the very first to realize this great potential, and has worked unceasingly toward that end. Senator MURRAY has explored the feasibility of a steel mill and, while his untiring efforts have resulted in generating some new interest, we Montanans feel that our State's industrial potential is not being fully utilized.

Senator MURRAY has a long and enviable record of working toward the development of Montana. This new steel industry is only one of the many instances.

Mr. President, I ask unanimous consent that an editorial from the August 15

issue of the Lewistown Daily News commanding Senator MURRAY be printed at this point in the CONGRESSIONAL RECORD, along with an editorial that appeared in the Great Falls Tribune, of Great Falls, Mont., dated August 23, having to do with Senator MURRAY and his position in re the mineral price program.

There being no objection, the editorials were ordered to be printed in the RECORD, as follows:

[From the Lewistown (Mont.) Daily News of August 15, 1957]

MURRAY AND STEEL MILL RESEARCH

The dreams of a steel mill for central Montana could become a reality.

If they do not, it won't be because a number of central Montanans and United States Senator JAMES E. MURRAY haven't tried in every way to bring such an industry here.

Much has been said and done in the exploration of the feasibility of a steel mill here, but MURRAY's office is the first to acknowledge the fact that we are doing little more than scratching the surface thus far. Extensive investigation lies ahead, and the senior Montana Senator has a number of agencies making inquiries regarding the various possible methods that could be used to operate a steel mill in this area.

Preliminary studies have not been discouraging. With a bit of good fortune and the type of work that MURRAY is putting forth in Washington, D. C., such an industry well might be established here eventually.

If studies continue to show that there would be a good chance for a financial success for a steel mill in central Montana, then it will be up to the State planning board to do its utmost to interest steel companies in coming here.

All of this won't happen tomorrow. But the groundwork is now being handled, and handled well, by MURRAY's leadership in Washington.

It is indeed encouraging when a Senator finds the time and energy to pursue such a full-scale research. However, the establishment of new State industries is a foremost project with MURRAY.

In recent speeches he has pointed out that the economical condition of the State is not good. Realizing the importance now of new industries for the State, MURRAY has devoted a great deal of time toward the investigation of a possible steel mill.

There are a number of obstacles to overcome before a steel industry could make its way to central Montana, but there has been nothing yet which has discouraged the objective one iota. On the contrary, there have been a number of encouraging signs for such a steel mill in the future.

[From the Great Falls (Mont.) Tribune of August 23, 1957]

SENATOR MURRAY RAIDS MAKESHIFT MINERAL PRICE PROGRAM

Senator JAMES E. MURRAY has voiced sharp pertinent criticism of the Eisenhower administration's long-range mineral program. The particular target of the Montana Senator's attack is the proposed administration bill for a sliding scale of lead and zinc import excise fees. This he describes as totally inadequate. He adds, however, that the Senate Finance Committee had no choice other than to adopt the bill when it learned that any other tariff legislation would meet the disapproval of the President.

The aim of this proposed tax, which Congress is being urged to pass before adjournment, is to stabilize the price of lead at between 16 and 17 cents per pound and the price of zinc at about 13½ cents. This would be attempted by a tax on imports of these metals when domestic prices of them drop below certain levels. It involves a compli-

cated formula but the effect is to protect United States lead and zinc producers against the competition of foreign suppliers.

Canada sells the United States about \$80 million worth of these 2 metals a year and is making vigorous protest to the State Department about this measure. Mexico, Peru, and Australia have also entered protests.

As a Washington observer points out, lead and zinc producers in this country are having trouble now, and appear to be headed for more. They need help, and on the record Congress and the President seem willing to give them some help. The big question is whether this tax is the proper way to render aid.

As Senator MURRAY points out, the President had adequate power and authority under the escape clause of the Trade Agreement Act, and other acts of Congress, to immediately set in motion machinery for quick adjustments of the tariffs on lead and zinc at a higher figure than is proposed in this measure. That would have been a simpler and more direct way to provide the desired relief to the domestic producers.

METAL PRICES

Mr. MANSFIELD. Mr. President, I am in receipt of a telegram from an old friend of mine, Jimmy Shea, president of the Montana Municipal League, which reads as follows:

BUTTE, MONT.

August 25, 1957.

Senator MIKE MANSFIELD,
Senate Office Building,
Washington, D. C.:

People engaged in mining operations and others in western Montana will soon be in desperate economic need due to deflated metal prices. Relief must be forthcoming soon to avoid serious financial setbacks to a large number of people. As president of the Montana Municipal League, I urge you to prevail upon the Tariff Commission, the Congress, and the President to take immediate steps to help the mining segment of our economy. It appears that fast action will be necessary to avoid mass unemployment and the serious effects that such unemployment would bring to communities throughout the West.

JIMMY SHEA,
President of the Montana Municipal League.

I join with Mr. Shea in urging the President to do something about this particular situation, because lead and zinc are in the doldrums, and if something is not done very soon, practically all mines producing those minerals in this country will be shut down. Copper is on the way down, because we find, for example, custom smelters have quoted copper prices at 27½ cents a pound. I repeat the statement that on the richest hill on earth, in Butte, Mont., it costs 31 cents a pound to produce copper. So I earnestly hope that President Eisenhower, under the escape clause contained in the reciprocal trade agreements, will take action—and soon—to bring relief to lead and zinc producers at the present time, and to the copper industry when that time arrives.

THE MUTUAL SECURITY PROGRAM

Mr. SMITH of New Jersey. Mr. President, on last Friday, August 23, in discussing the mutual security program in the morning hour, I pointed out that

the Appropriations Committee of the House had made the overall assertion that upward of \$12 billion is available at the present time, and therefore only a small current appropriation for the 1958 program is necessary. At that time I inserted the conclusions of a study I had had made and which indicated that the alleged "availability" of foreign currencies was an erroneous assumption.

Again at my request the ICA and other departments of the Government have assisted my staff in preparing a statement covering this entire alleged "availability" of something over \$12 billion.

Mr. President, I ask unanimous consent that this statement, which I believe to be accurate, be inserted in full in the body of the RECORD at this point in my remarks.

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

THE ALLEGED AVAILABILITY OF \$12 BILLION FOR THE MUTUAL SECURITY PROGRAM IN FISCAL 1958

The claim of availability is made up of the following figures:

	Billion
Pipeline	\$6.3
Foreign currencies	2.6
 Available	 8.9
House additions:	
New appropriation	2.5
Reappropriation	.7
 Total	 12.1

It is argued that these available funds are ample to take care of the fiscal 1958 mutual security program for which the President originally asked \$3.8 billion (with an additional reappropriation of approximately \$500 million).

II

The foregoing overall figures making up \$12 billion, I am advised, must be modified for accuracy in the following respects:

Through an unintentional error \$700 million was included twice—once in the pipeline and again in the reappropriation for 1958; also an adjustment is necessary to bring these figures up to July 1, 1957.

The revised figures, therefore, should be:

	Billion
Pipeline (\$6.3 billion minus \$700 million and minus the adjustment of \$200 million)	\$5.4
Foreign currencies	2.6
 Available	 8.0
House additions as above	3.2
 Total	 11.2

In my remarks of last Friday, I pointed out that foreign currencies amounting to \$2.6 billion were not available and the reasons were set forth in the study I inserted in the RECORD at that time.

If we deduct the \$2.6 billion in foreign currencies from the total of now-available funds—namely, \$8 billion—we arrive at the figure of \$5.4 billion, which is the real figure under discussion. This was the figure the House used to justify the House appropriation of approximately \$1.2 billion below the President's first request and approximately \$800 million below the authorization bill as passed by the House and Senate.

III

The question is whether we can rely on any of the pipeline "availability" to take care of the 1958 planned program. What is

not generally understood is that with the continuing security program, the pipeline "hardware" is constantly moving and also whatever economic aid is started on its way. Because of the so-called lead time necessary, especially for military hardware, we find that we have to figure on a period of from 2 to 3 years before deliveries to fulfill our commitments, and the amounts payable therefore do not become due until those deliveries are made. This means that the figure of \$5.4 billion referred to above has been definitely committed in the development of the continuing program, and is not available for the 1958 program.

Both the Foreign Affairs Committee of the House and the Foreign Relations Committee of the Senate, in their extended hearings, received full evidence with regard to these pipeline operations. I am advised also that the Appropriations Committee of the House and now the Appropriations Committee of the Senate have both received the same testimony.

IV

This leaves us with the question of whether the new money for the 1958 program, provided by the House in its appropriation, is adequate for our needs.

This new money, as I stated above, is comprised of the following:

	Billion
New appropriation, 1958	\$2.5
Reappropriation	.7
 Total	 3.2

During the past year the entire program of so-called foreign aid has been revised due to the recommendations of the elaborate study that was made by both the House and the Senate. In the Senate I was personally familiar with all these studies which unanimously urged that our mutual-security program be continued and put on a more permanent basis. The studies also provided for a revolving loan fund to assist backward countries to get on their feet economically and to help them in their striving for freedom, independence, and self-determination. It was felt by all our advisers that to save these underdeveloped countries from slipping behind the Iron Curtain because of their poverty, it would be necessary to help them help themselves by reasonably long-term loans.

To keep the program moving and especially to insure the continuance of the security program during these critical years, it was felt by the President and his advisers, and carefully developed in the testimony, that we would need \$3.8 billion for the 1958 program in new money—the basic purpose of which is to insure the security of our own United States. These figures were reduced in the conferences between the Senate and the House and in the ultimate authorization bill to \$3.3 billion in new money, which the President stated in a nationwide broadcast and reiterated again, is the lowest figure we can safely go to if we are to remain in a position of strength to meet these Communist aggressions. The cut by the House of over \$800 million below the authorization is before the Senate Appropriations Committee at the present time.

Let me point out that in the cuts made by the House there were two items of special danger and which certainly should be fully restored. In the CONGRESSIONAL RECORD of August 20, page 13926, I inserted a breakdown of the various titles of the bill indicating the President's original request, the Senate authorization, the House authorization, the conference compromise and the House appropriation figures.

The two cuts to which I now wish to call attention are Title II: Defense Support, where the authorization conference agreed on a figure of \$750 million and the House cut this to \$585 million in new moneys—a cut

of \$165 million. The danger involved here is due to the fact that defense support is what is needed to take care of the vital and critical areas in the world where we may be subject to a sudden attack at any time. These critical areas are five in number and are the following: Korea, Formosa, Vietnam, Pakistan, and Turkey. We simply cannot afford to cut our defense support in these areas. These countries, for example, will immediately have to begin planning to reduce their armed forces or adjust their economies in expectation of lessened United States aid.

The other item is title V, entitled "Special Assistance." This is the President's discretionary fund to be used anywhere in the world in case of a sudden emergency. Originally the President asked for \$300 million. The House Appropriation drastically cut this, allowing only \$175 million. The critical situation in the Middle East and especially the recent developments in Syria highlight the danger of such a cut in this fund.

V

It is my sincere hope that the study which I presented to the Senate last Friday and included in the RECORD, and this study which I am presenting today may assist us in arriving at our final conclusions with regard to a sound and safe appropriation for the 1958 mutual security program.

THE NEED FOR CONTINUED OPPOSITION TO THE CHICAGO WATER STEAL

MR. WILEY. Mr. President, I was pleased to receive this morning from the distinguished chairman of the Senate Public Works Committee our able colleague, the senior Senator from New Mexico [Mr. CHAVEZ] confirmation that there will be no action attempted this year on H.R. 2, the Lake Michigan water diversion bill.

Chairman CHAVEZ indicated:

I have received numerous letters and telegrams from interested parties in the Great Lakes area regarding these hearings. I have advised those parties that no hearings are scheduled or anticipated at this session of Congress, but that I expect to schedule hearings on this matter early next year.

MR. PRESIDENT, I should like most earnestly to alert all interested civic-minded folks throughout the Great Lakes region to the danger that H.R. 2 may be approved by the Senate Public Works Committee when it is taken up early in the second session.

I will not attempt at this time to spell out the long history of our battle against this unfair, unsound, and unconstitutional legislation.

I will simply state that every reason for our past opposition to the Chicago water steal continues, and new reasons have arisen, as well.

It is absolutely absurd for the United States Government to be constructing with our good neighbor, Canada, the Great Lakes-St. Lawrence seaway—a seaway which relies upon an appropriately high water level throughout the lakes—while at the same time to allow a disastrous drop in that water level.

It is absolutely absurd and self-contradictory for the United States to be engaged in talks with the Government of Premier Diefenbaker in which we ask for various concessions on the part of our Canadian friends on matters in which we

The motion was agreed to; and the Presiding Officer appointed Mr. HOLLAND, Mr. SCOTT, Mr. TALMADGE, Mr. MUNDT, and Mr. SCHOEPPEL conferees on the part of the Senate.

THE DEPORTATION OF MRS. JAMES MASTERSON

Mr. MURRAY. Mr. President, I ask unanimous consent to have printed in the body of the RECORD a letter which I had delivered last Friday to Under Secretary of State Christian A. Herter.

The letter concerns one of my constituents, James Masterson, and his wife, Doreen, a British subject who is denied reentry into this country because of the construction that has been placed upon section 212 (a) (I) (ii) of the Immigration and Nationality Act.

When his wife was deported Mr. Masterson accompanied her back to England. For 3 years they have been trying, unsuccessfully, to obtain permission from our Government for her return.

The information furnished me, on this case by the State Department and the Mastersons indicates that her readmission is permissible, and that an injustice is being done a devoted husband and a woman who long ago repented the errors she was led into in her youth.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

UNITED STATES SENATE,
COMMITTEE ON INTERIOR
AND INSULAR AFFAIRS,

August 23, 1957.

The Honorable CHRISTIAN A. HERTER,
Under Secretary of State, Department
of State, Washington, D. C.

DEAR MR. SECRETARY: I am writing you on behalf of one of my constituents, James R. Masterson, and his wife, Doreen, a British subject who is denied reentry into this country under the McCarran-Walter Act.

Masterson accompanied his wife to England when she was deported 3 years ago. Since then they have been trying to obtain permission for her to return to this country under section 212 (a) (I) (ii) of the Immigration and Nationality Act, which provides that a visa may be issued if the alien "establishes to the satisfaction of the consular officer when applying for a visa, and the consular officer finds that since the termination of such membership or affiliation, such alien is and has been for at least 5 years prior to the date of application for a visa actively opposed to the doctrine, program, principles, and ideology of such party or organizations, or the section, subsidiary, branch, or affiliate or subdivision thereof, and (b) the admission of such alien into the United States would be in the public interest."

It appears, on the basis of information furnished me by the State Department and the Mastersons, that readmission of Mrs. Masterson is permissible under present law.

It appears that injustice is being done a woman who has long ago repented the errors of her youth.

It appears that an injustice is being done her devoted husband, who is a member of a highly respected pioneer family of Miles City, Mont.

It appears that a decision in favor of her reentry will reflect favorably upon the United States Government.

For these reasons I am asking you personally to review the case and take appropriate action.

Here is a summary of the background on this case:

Before the Mastersons met, when Mrs. Masterson was about 19 years of age, she became engaged to a man about 12 years her senior who was a member of a branch of the English Communist Party. During this period of her engagement, which was also during the time when the United States, Great Britain, and the U. S. S. R. were allied in war against a common enemy, she joined the Communist Party and the Young Communist League.

In 1943 she broke her engagement with this man and, in turn, in either 1943 or 1944, she terminated her membership in the Communist Party and Young Communist League.

Masterson served with the United States Army Air Force in England during World War II. He married his wife in 1945. She came to this country under the GI bride program. They lived in Montana, where he attended Montana State University, earning B. A. and M. A. degrees in 1949 and 1950. Subsequently they lived in Seattle and Boston, where he did postgraduate work at the University of Washington and at Harvard.

On April 24, 1951, a warrant of arrest was issued charging that Mrs. Masterson had been a Communist prior to entry into the United States and that she was in this country in violation of United States immigration laws. There followed hearings and appeals and her deportation to England on August 27, 1954.

My files on this case indicate the following significant information:

(1) Numerous affidavits submitted to appropriate agencies in behalf of Mrs. Masterson certifying that during the period of her membership in the party she was loyal to her government and her church. I know of no evidence to the contrary.

(2) She swore that she terminated membership in the Communist Party and Young Communist League in either 1943 or 1944 and never rejoined those or similar organizations. I know of no evidence to the contrary.

(3) Despite her youthfulness, she became disillusioned with the Communist Party and terminated membership in it long before many mature citizens, who have not been denied residence in this country as she has, did so.

(4) While in Missoula, Mont., in 1948 she was asked to join the Communist Party of the United States. She refused to do so.

(5) Her character, devotion to democracy, and opposition to communism have been attested to by substantial citizens in both this country and England, including a distinguished former member of the Montana State University faculty and a former Rhodes scholar in England.

(6) My staff discussions with the State Department indicate that officers of the State Department are not fearful that admission of Mrs. Masterson would be prejudicial to the public interest or endanger the welfare, safety, or security of this country.

(7) The director of the visa section in London was favorably impressed by Mrs. Masterson.

But Doreen Masterson apparently is not the type of individual who, after breaking with the Communist Party, seeks the spotlight by making speeches and writing articles, thus creating for the officials who must judge the case conveniently tangible evidence of anti-Communist activity.

You know, as I do, that repentance before one's God, family, and friends can be at least as genuine as that which is performed in public. You know, too, as I do, that the person who does not have the faculty for writing or public speaking can nevertheless be as active in opposition to communism as are the more articulate converts.

Consider, for example, this notarized statement submitted in her behalf by an American teacher, now in England, who has known her for 6 years:

"I became acquainted with Doreen Masterson and her husband while working in Seattle, Wash., during the summer of 1951. I have corresponded with them regularly during periods when we have not been within visiting distance. Knowing of her legal difficulties, I am glad to make this affidavit to support her application for reentry into the United States. She and her husband are personal friends of mine, and I have a high opinion of her character—not least because of the uncomplaining courage and integrity with which she has met the hardships of the past few years.

"Even before it involved her in these difficulties, Doreen made no attempt to conceal the fact that as a girl during World War II she had joined the Young Communist League. She soon recognized the disparity between communism's professed ideals and its actual practices, became disillusioned with it as a vehicle for social idealism, and disassociated herself from it. I know her to be a person with strong democratic ideals and the courage of her convictions. Her convictions and ideals have never been compatible with Communist practice; for she hates intolerance, ruthlessness, authoritarianism, and oppression of any kind, and cannot see a lost kitten without taking it home. She accompanied my wife to church when they were together and during the 5½ years of my acquaintance with her I have never known her to be hypocritical or to express any sentiment whatever suggestive of Communist sympathies. On her last visit to us she condemned the Russian suppression in Hungary as strongly as her husband. She is definitely not the sort of person who should be barred from returning to the United States with her husband, where she has many friends, of whom I am glad to be one."

Our Government is one which recognizes human values above all else. Therefore, for the sake of this young man and his devoted wife, I ask your reconsideration of her status, and I do so in the knowledge that the final decision must be yours. I ask only that your finding be based on the facts as I have tried to present them, as I know them, and as you have them in your files.

With warm personal regards, I am,
Sincerely yours,

JAMES E. MURRAY,
United States Senator.

MUTUAL SECURITY

Mr. JOHNSON of Texas. Mr. President, one of the most important examples of the value of the mutual-security program has been provided by a sister republic—Guatemala.

It was only a few years ago that world communism got its first real foothold in the Western Hemisphere. The people of Guatemala themselves finally got rid of the foreign yoke.

Since then, Guatemala has been the recipient of American help.

No less an authority than the distinguished and very hardheaded correspondent, Edwin A. Lahey, of the Chicago Daily News, attests that this help has been effective. I ask unanimous consent that his article be printed in the RECORD as part of my remarks.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

**LAHEY FEELS UNITED STATES AID SHOULD BE
CONTINUED**

(By Edwin A. Lahey)

GUATEMALA CITY.—Guatemala has been operated for 3 years as a laboratory experiment in democracy. This experiment has had the moral and financial support of the United States.

In the uncertainty created by the assassination of President Carlos Castillo Armas, there have emerged two questions of vital and immediate importance to both the United States and Guatemala.

1. Has the investment of the United States in Guatemala been justified?

2. Should the United States Congress renew its faith in Guatemala by continued generosity in foreign aid?

The answer to the first question is an unqualified "yes." The United States has nothing to be ashamed of in its strong support of the late President Castillo Armas. The objective evidence in Guatemala supports this statement.

The answer to the second question involves political argument, rather than an examination of the record.

But it can only be "Yes" if Congress, now about to appropriate for foreign aid for fiscal 1958, wishes to protect our investment in democracy in Guatemala.

AID WITHDRAWAL INVITES CHAOS

Withdrawal of United States aid, or substantial reduction of it at this critical time, would be an invitation to chaos in Guatemala, and an American confession of failure in the project we undertook when we first supported Castillo Armas in the revolution of 1954.

It was then that the Communist-dominated government of Jacobo Arbenz, the only Red bastion in the Western Hemisphere, was overthrown.

These hard political facts make it probable that the Department of State will urge Congress, if Congress needs the urging, to back its faith in Guatemalan democracy with money in the coming weeks, when appropriations for foreign aid are voted.

The same facts make it probable that both civil and military leaders in Guatemala will strive to avoid the traditional excesses of Latin American politics and follow the middle-of-the-road policies to which Castillo Armas was firmly dedicated.

Castillo Armas was baited and badgered by both the far right and the far left in Guatemala, but he made no bones about his desire to shape the character of his country to something resembling that of its political godfather north of the Rio Grande.

A recent official progress report on the 3 years under Castillo Armas gives a conclusive answer to the question whether our investment of about \$60 million in direct grants and loans since 1954 has been a good one.

That money has helped the Guatemalan Government launch programs to improve the lives of the people, particularly in the rural areas, and to help them help themselves.

The assistance has been translated into roads, low cost housing, hospitals, health centers, and education.

PROGRESS CALLED MIRACULOUS

Considering the opposition that Castillo Armas had from both the far right and the far left, it is a modern miracle that he made as much progress in a middle-of-the-road program that he did.

The landed barons of the country, for example, wanted revenge against the shoeless proletarians who had given them a hard time under Communist leadership before 1954.

But Castillo Armas, by Presidential decree, established a minimum wage law for agricultural labor, inadequate even by Latin American standards, but a sign of his sense of moderation.

And in recent weeks, the late President told a meeting of private employers:

"At no time must we think that the exploitation of our wealth can be carried out at the cost of inhuman exploitation of our workers."

When he died, Castillo Armas was trying to persuade the middle and upper classes of Guatemala that they must accept the income tax as inevitable. This tax is now under consideration in Congress.

At the working class level, large groups were equally impatient with the Castillo Armas government and unable to understand the slow pace of its reforms.

The labor movement, completely dominated by Communists under the Arbenz regime, was shattered in the revolution.

It has been necessarily slow in rebuilding, because of the quarantine against Communists.

In the May Day parade a few months ago, which the late President reviewed from the balcony of the national palace, workers carried angry placards denouncing the Government as antidemocratic and complaining about their own wages and working conditions.

RICH, POOR FORGET HOSTILITY

The most remarkable aspect of the assassination of Castillo Armas was the evaporation of this hostility at both ends of the social spectrum.

Rich and poor alike suddenly came to the conclusion that Castillo Armas had done a heroic job for his country in the 3 years of his service.

Without the magic spell of the late President's sincere devotion to his country's democratic aspirations, some sort of a military coup would have been as natural in Guatemala City last week as the afternoon rains that come plopping out of the low clouds with deadly regularity.

CIVIL RIGHTS LEGISLATION

MR. JOHNSON OF TEXAS. Mr. President, sober second thought has confirmed the wisdom of the compromise agreement on the jury-trial amendment which the House leadership reached Friday.

The compromise is not one that satisfies everybody. I personally believe that the Senate version of the measure is stronger in every respect.

It is my hope that next year we will consider the whole problem of jury trials for criminal contempt cases. I would urge my colleagues to hold long and careful hearings on this question.

I believe that if we can consider the matter divorced from a highly emotional issue we will return to the Senate bill.

Give and take, however, is not a one-way street. Men of principle have yielded on both sides in order to make possible a forward step in the field of human rights.

The Washington Post and the New York Times in editorials have summed up the situation with precision. I ask unanimous consent that these editorials be printed in the RECORD as a part of my remarks.

There being no objection, the editorials were ordered to be printed in the RECORD, as follows:

[From the Washington Post of August 26, 1957]

VICTORY FOR EVERYONE

The agreement among leaders of both parties in both Houses of Congress to a compromise on the civil rights bill is an act of genuine statesmanship. No one ought to dismiss lightly the difficulties that were sur-

mounted. Political advantage was subordinated to the need for a bill which can become law as the first real civil rights act in a generation of talk. What has come forth is truly a bipartisan measure which both parties can support with satisfaction. This is the consideration which ought to govern discussion as the bill comes up for final endorsement.

Like many compromises, the specific amendment is something less than ideal. Supporters of the jury-trial guaranty are disappointed because the amendment seems to weaken the guaranty (though we suspect that this will be the case more in theory than in practice). Champions of a stronger bill are equally disappointed because the amendment leaves a restriction on the power of Federal judges to punish offenders in voting-right cases for criminal contempt-of-court orders.

The prime virtue of the amendment is that it is a catalyst. It is a middle course between the jury-trial provision engineered by Senate Democrats and the modification suggested by House Republican Leader MARTIN. Under the amendment a judge will be empowered to try criminal contempt in voting-right cases with or without a jury, but if the punishment exceeds \$300 fine or 45 days in jail a defendant will be entitled, if he wishes, to a new trial before a jury with the risk of greater penalty. The amendment also wisely narrows the jury-trial provision to cases involving voting rights and makes clear that the penalties for unauthorized use of testimony before the new Civil Rights Commission apply to disclosure rather than to news publication.

Republican support now seems assured to push the bill over the obstacle course set up by Representative HOWARD SMITH in the House Rules Committee. Attention will then turn to the Senate, where there seemed to be considerable possibility of a filibuster until Senator RUSSELL made his conciliatory statement. Southern Democrats who acquiesced in the Senate bill but object to the compromise can thank Mr. SMITH's obstructionism for much of their dilemma. Every day that he delayed, the price of agreement went up.

On this point the country must now hope that Senator RUSSELL and his southern colleagues will exercise the same dignity and forbearance that most of them displayed during the Senate debate. It has been a painful wrench for many of the southerners to yield as much as they have without resorting to a filibuster; and no one, in asking for additional restraint, can expect them to endorse the bill. But both sides have yielded in this classic debate. And actually, if the bill aims at compliance rather than punishment, and if southern legislators will use their influence in support of the law, the civil proceedings prescribed in the bill should suffice and the invocation of criminal penalties should be a rare thing. If the defiance of a court order were serious enough to warrant criminal punishment, in all probability most judges would conclude that a jury trial was called for anyhow.

From the outset this newspaper's concern in appraising the various changes in the civil-rights bill has been to obtain a workable measure that could actually be passed. We believe that the compromise bill, whatever the disappointments over individual details and omissions, should afford real protection of voting rights and encourage respect for other rights. The common denominator of agreement that has been evolved in a masterful achievement. The country has real cause for gratitude to the members of both parties who have composed their fears and differences in meeting a national need.

[From the New York Times of August 25, 1957]

A CIVIL-RIGHTS BILL

It now seems evident that a civil-rights bill will be adopted by Congress this week

and sent to the President. A compromise has been reached and announced on some controversial points. There is little likelihood, now, of any insurmountable obstacle to passage.

In the form that is now agreed upon the measure is not as strong as we, and other exponents of the civil-rights cause, might desire in respect to racial minorities, rights of citizenship, school, and other social integration. Eisenhower proposed and urged. It is not an ultimate solution of a variety of problems in respect to racial minorities, rights of citizenship, school and other social integration, and human understanding.

Nevertheless, an immense step can be taken. When the Congress adopts this measure it will be in the first real legislation in the field of civil rights on behalf of our racial minority in almost 80 years. It will be the first legal attempt to provide the machinery for making the 14th amendment a reality.

What is more, it will have been proved that the senatorial roadblock to remedial legislation is not completely impassable. It will also have been proved that the spirit of compromise and desire to effect a meeting of minds has not been lost in even so controversial a field.

The legislation, as it is now being readied for submission, really confines itself to voting rights. The restriction may be too narrow, but within this limitation there are provisions for genuine enforcement. The "teeth" have not been withdrawn. The constitutional provision for the right of jury trial has been upheld, but there has been an honest effort to prevent the devotion to this principle from becoming an instrument for the denial of human rights.

Among those rights, in the political sense, that of the free ballot is of first importance. This is a civil right, in the best sense, and one of the purposes of the legislation is to make it secure. A denial of such a right can be criminal and the legislation provides for punishment.

There will doubtless be extended argument as to whether this is half a loaf, a tenth of a loaf or three-quarters of a loaf. It will not be denied that in any case it is better than no bread. A movement in the right direction is being made. It is also a movement in the right direction that the conferees have decided to drop the provision under which newspapermen could have been penalized for reporting the activities of the Civil Rights Commission that is to be established. The press and the public also have rights that need continued protection.

It is important now, that all of us realize that the adoption of one bill is no panacea. There is still a long way to go before we can establish, for ourselves and for the world, that there can be no such thing as a second-class citizen in this country. The present measure moves toward that eventual goal. Its adoption should make it easier for others that must follow.

Mr. MANSFIELD. Mr. President, will the Senator yield?

Mr. JOHNSON of Texas. I yield.

Mr. MANSFIELD. I wish to say that I, too, am disappointed that the Senate version of the civil-rights bill having to do with jury trials was not accepted in toto. I am disappointed because it seems to me that in arriving at a compromise those who reached it have come up with the idea that days and dollars can work out the difference between us, and that the procedure of a jury-trial itself as applied to all criminal contempt cases can be compromised in this manner.

I am certainly in accord with what the Senator from Texas has stated. I know how long he has worked to bring about a workable and enforceable civil-rights voting bill, but I am disappointed that there has been written into the bill a compromise of the jury-trial amendment as passed by the Senate.

Mr. JOHNSON of Texas. Mr. President, I thank the Senator from Montana.

Mr. President—

The PRESIDING OFFICER. The Senator from Texas.

ORDER FOR ADJOURNMENT TO 11 A. M. TOMORROW

Mr. JOHNSON of Texas. Mr. President, I ask unanimous consent that when the Senate concludes its business today it stand in adjournment until 11 a. m. tomorrow.

THE PRESIDING OFFICER. Without objection, it is so ordered.

ORDER LIMITING DEBATE DURING MORNING HOUR TOMORROW

Mr. JOHNSON of Texas. Mr. President, I ask unanimous consent that when the Senate convenes tomorrow, during the usual morning hour for the transaction of routine business, statements of Senators be limited to 3 minutes.

THE PRESIDING OFFICER. Without objection, it is so ordered.

H. R. 6127—COMPROMISING CIVIL RIGHTS

Mr. STENNIS. Mr. President, despite its "compromise" label, and despite the fact that the zeal of many to pass a so-called civil-rights bill may cause them to accept unsound provisions of the bill, I hope a sufficient number of votes can be obtained to defeat the compromise amendment regarding the jury trial provision of H. R. 6127.

Mr. President, the plain provisions of the sixth amendment to the United States Constitution provide, "In all criminal prosecutions, the accused shall enjoy the right to a speedy and public trial, by an impartial jury of the State and district wherein the crime shall have been committed."

I will accept the argument that a court's power includes the power to imprison for direct contempt to enforce compliance with its order. This was excepted by implication when the sixth amendment was adopted.

However, we plainly violate that provision of the Constitution when—in a wholesale fashion—we transfer great segments of our criminal law over to courts of equity for enforcement and command those courts to assume jurisdiction, and then permit trial and punishment for crime without a jury trial. No clever use of words or distinctions or legal arguments can change the realities of this.

Furthermore, the expressed language of the amendment recognizes this principle when the amendment makes a

jury trial mandatory if the punishment is to be beyond \$300 fine or 45 days in jail. Having recognized this right to a trial by jury, the right cannot be "split" and conferred as to one quantity of punishment and withheld as to another quantity of punishment. Only the Constitution could make such a distinction, and none is made by that document.

Regardless of the subject matter of the bill in which such a compromise is found, we shall regret the day that we set the following two precedents:

First. When we transfer a great volume of criminal law over to a court of equity for enforcement.

Second. When we violate the jury trial mandate of the Constitution by evasive "split level" quantities of punishment.

I shall be heard further on this subject at a later stage of the debate.

The PRESIDING OFFICER. Is there further morning business? If not, morning business is closed.

Mr. MANSFIELD. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. JOHNSON of Texas. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER (Mr. CARLSON in the chair.) Without objection, it is so ordered.

HOURS OF DAILY MEETING AND LEGISLATIVE PROGRAM

Mr. JOHNSON of Texas. Mr. President, I ask unanimous consent that, following tomorrow, and for the remainder of the week, it be in order for the Senate to convene at 10 o'clock.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. JOHNSON of Texas. Mr. President, I should like to announce that it is very likely that the Senate will hold evening sessions during this week. We shall make every possible attempt to conclude the business of the Congress by Saturday evening.

The Senate will convene at 11 a. m. tomorrow, and, under the order just entered, will convene at 10 o'clock during the remainder of the week.

I want all Senators to be on notice that their presence is likely to be necessary for the entire week.

We expect to bring up several important pieces of proposed legislation, including the mutual security appropriation bill, the civil rights bill, the postal pay bill, the classified pay bill, and many other bills which I have previously announced, and which have been cleared on the calendar. Just when each one will be brought up, no one can tell; but I wish to give the minority leader advance notice, and I wish this to be notice to all other Members of the Senate, that we shall make a determined effort to conclude our work this week.

**UNITED STATES FOREIGN POLICY
AND THE COMMUNIST COUP IN
SYRIA—MUTUAL SECURITY AP-
PROPRIATIONS**

Mr. JAVITS. Mr. President, will the Senator from Texas yield to me?

Mr. JOHNSON of Texas. I yield.

Mr. JAVITS. I wish to be recognized for a few minutes. I understand that morning business has been concluded. Will the Senator from Texas permit me to request unanimous consent to speak at this time?

Mr. JOHNSON of Texas. Certainly. I yield the floor.

Mr. JAVITS. Mr. President, the American press is now being very much occupied and United States foreign policy is being very much concerned with the Communist coup in Syria. I think that situation constitutes a most potent argument in favor of having the Senate vote to appropriate the full amount of the authorized appropriation for mutual security for this year, namely, \$3,386,-860,000. That amount was very sharply cut in the other body. I understand that the mutual security appropriation bill is being reported today by the Senate Appropriations Committee, in an amount very much nearer to that with which the Mutual Security Agency and, indeed, our country can live.

In my opinion, Mr. President, the Syrian coup reflects so immediately upon this question, that I desire to address the Senate for a few minutes on this subject.

Mr. President, the Communist coup in Syria presents a grave threat to the free world, because the Soviet Union is establishing a base of operations in the eastern Mediterranean for the pursuit of its objectives to cut off the oil of the Middle East and subvert the nations there. The irresponsible supplying of arms by the Soviet Union and its satellites to Egypt and Yemen, and now to Syria, could also, at a moment's notice, plunge any one of them into a military adventure disastrous to the entire Middle East. During these few minutes, I propose to suggest a series of measures which might be undertaken by our Government to combat this new danger.

First. Under the Eisenhower doctrine, nations in the Middle East which are threatened by international communism may request our assistance. Without delaying to wait for precise legal determinations on the political complexion of the government of Syria, it seems obvious that we now should be strengthening the countries which border on Syria and which may be threatened by her aggression. In the light of this new danger, we should be reviewing and strengthening our programs of assistance to nations which are clearly aligned with the free world, such as Turkey, Iraq, Jordan, and Israel.

Certainly the mutual-security appropriations for that purpose should not be cut.

Second. Our military assistance policy should emphasize self-defense, and should avoid exacerbation of an arms race in the Middle East. Our assistance to the Middle East should be heavily economic aid. Now is the time to press

forward with the highly constructive and imaginative program for the development of the Jordan River Valley, which was offered to the Arab States and Israel by Ambassador Eric Johnston several years ago. This program was killed by a political veto by Syria. I understand that Syria can very well be left out of it, and that the program can be consummated through using a United Nations agency as a managerial body, simply by means of cooperation with both Jordan and Israel. This project alone will resettle 150,000 to 200,000 Arab refugees, representing in toto approximately 900,000 persons who are the hard core of the most nettling problem in that entire area of the world.

Third. The Soviet Union's main interest in Syria may arise from the fact that Syria can at any time—as it did during the Suez crisis—cut off the oil pipelines which carry vital fuel to Western Europe from Saudi Arabia and Iraq. Therefore, it is vital that the Western World, under our leadership, accelerate its plans and programs for developing alternate routes of supply. We must encourage the building of tankers to carry oil by sea, and we must encourage the construction of new pipelines, such as the pipeline from Iraq to Turkey, and the one using the shorter route from the Gulf of Aqaba, across Israel, to the Mediterranean. At the same time, it is to be hoped that the British oil companies will now be dissuaded by the Syria coup from abandoning their existing oil facilities in Israel. The Syrian coup argues for expansion, not contraction, of oil facilities secure to the free world.

Fourth. I urge that a major effort be made at this time to solve the Palestine-Arab refugee problem. It is one of the major problems in that entire area of the world. All governments in the Middle East, and especially those which have been expanding their economies by the development of oil resources, should be encouraged to accept their share of the responsibility in the resettlement of the Arab refugees. Mr. President, if all states in the region—both Israel and the Arab countries—agreed to contribute to a solution by accepting refugees for resettlement and by compensating refugees for abandoned and confiscated property, there would be a substantial measure of progress toward development and peace. The United Nations Relief and Works Agency, now caring for the Arab refugees, expires on June 30, 1960. It is time to consider placing a greater responsibility on the host governments, if they continue to oppose resettlement efforts.

Mr. President, by way of conclusion, let me say that we must not be frustrated or dismayed by the Syrian coup. We must react to it in an affirmative and vigorous way. I suggest that we react to it by bypassing this particular area and by working with peoples in the Middle East who will work with us, and by working on the manifest problems there. The best way to deal with Syria and Egypt is to isolate them in the Arab world.

Continued Soviet infiltration and subversion in the Middle East have been fa-

cilitated by the disunity of the region. Our Government should now exercise every resource to promote cooperation and peace in the area. The development of the Johnston plan for the Jordan River waters, the building of alternate oil pipelines, the expansion of economic aid and technical assistance, and the observance of the Eisenhower doctrine, which seals off that area from Communist aggression, will contribute to the attainment of stability, and all of them will foster conditions making for a peace settlement.

As a leader of the free world, our Government must go forward now in an affirmative way.

The subversion of Syria and its apparent capitulation to the Kremlin's influence must serve as a stern warning to all the other nations of the Middle East that they will not preserve their independence or secure the prosperity and welfare of their people by following Syria's example, nor will they defend themselves from the threat of Soviet subversion and aggression by persisting in intraregional conflict. They owe it to themselves to settle their disputes, to make peace, and to work together for the cause of freedom.

Mr. President, in order to accomplish our policy, we need the sinews and the means, and these are contained in the appropriations for mutual security. If we fail to make adequate appropriations—and that is something we control—we shall be failing to read the lesson of the Syrian coup in the interests of our national security. And that lesson is written large upon the wall.

THE CALENDAR

PRESIDING OFFICER. The Senate will now proceed to consider the bills and other measures on the calendar.

Mr. TALMADGE. Mr. President, in view of the fact that all the measures on the calendar will be objected to, down to Calendar No. 1037, except for Calendar No. 873, House bill 38, Calendar No. 733, House bill 1733, and Calendar No. 415, Senate bill 931, I ask unanimous consent that with those exceptions, the call of the calendar begin at Calendar No. 1037. In other words, preceding Calendar No. 1037, there are three bills to which we do not object. I ask unanimous consent that the Senate proceed to consider Calendar No. 415, Senate bill 931, Calendar No. 733, House bill 1733, and Calendar No. 873, House bill 38; and that upon the completion of action on those measures, the next measure on the calendar to be called be Calendar No. 1037.

PRESIDING OFFICER. Is there objection? Without objection, it is so ordered.

Calendar No. 415, Senate bill 931, will now be stated.

BILL PASSED OVER

The bill (S. 931) to provide for the reorganization of the safety functions of the Federal Government, and for

Digest of CONGRESSIONAL PROCEEDINGS OF INTEREST TO THE DEPARTMENT OF AGRICULTURE

OFFICE OF BUDGET AND FINANCE
(For Department Staff Only)

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HIGHLIGHTS: Senate passed mutual security appropriation bill. Senate passed Federal employees' pay-increase bills. Sen. Barrett and 36 other senators introduced bill to extend Wool Act for 4-year period. Rep. Polk urged ACP to use more agricultural limestone.

SENATE

1. MUTUAL SECURITY APPROPRIATION BILL, 1958. Passed, 62-25, as reported this bill, H. R. 9302. By a 59-28 vote, agreed to the committee amendment increasing the amount by \$225 million. Senate and House conferees were appointed. pp. 14609-20, 14623-5, 14630-49, 14736
2. PERSONNEL. Passed, 64 to 22, without amendment H. R. 2462, to increase the pay of classified employees by 11 percent with a ceiling increase of \$1,000 and a provision that the bill shall not increase salaries above \$16,000. Rejected an amendment by Sen. Morton to reduce the increase to $7\frac{1}{2}$ percent. This bill will now be sent to the President. pp. 14665-70
Passed, 69 to 17, without amendment H. R. 2474, the postal employees' pay-increase bill. This bill will now be sent to the President. pp. 14655-65
3. BUILDINGS. The Government Operations Committee reported with amendments S. 2533, to authorize GSA to lease space for Federal agencies for periods not exceeding 15 years (S. Rept. 1146). p. 14598
4. WAR POWERS. The Judiciary Committee reported without amendment H. R. 7536, to continue title II of the First War Powers Act, 1941, which authorizes certain special procurement procedures (S. Rept. 1152). p. 14683

5. CIVIL RIGHTS. Began consideration of the compromise civil rights bill (H. R. 6127) as agreed to by the House earlier in the day. Rejected, 18-66, a motion by Sen. Thurmond to refer the bill to the Judiciary Committee. pp. 14673-82
The Judiciary Committee reported without amendment S. J. Res. 80, proposing an amendment to the Constitution relative to equal rights for men and women (S. Rept. 1150). p. 14598

6. FARM PRICES. Sen. Humphrey inserted an article by Barrow Lyons, "United States Survey Shows Farmers Main Victims of Squeeze." p. 14606

HOUSE

7. SOIL CONSERVATION. Rep. Polk urged an increased use of agricultural limestone for greater calcium in foods, and criticized alleged USDA constrictions on payments for limestone under ACP. pp. 14754-7

8. PERSONNEL. Passed with amendment (to insert the provisions of H.R. 7915) S. 2377, to provide for the production of statements and reports of witnesses and House and Senate conferees were appointed. pp. 14714-31, 14682-3

9. ADMINISTRATIVE LAW; CIVIL RIGHTS. Agreed to various amendments to Senate amendments to H.R. 6127, the civil rights bill. As agreed to by the House, the bill does not contain the provisions, which were in the bill as originally passed by the Senate, providing for jury trials in contempt cases involving various regulatory laws administered by this Department. pp. 14687-714

10. INFLATION. Rep. Philbin warned that efforts to halt inflation must not be allowed to go as far as to endanger the economy or encourage deflation or depression. pp. 14740-1

11. COTTON. Rep. Rogers, Mass., commended the Senate's passage of S. 314, to aid the cotton textile industry by selling mills surplus cotton at reduced prices; and Rep. Jones, Mo., discussed the bill briefly. pp. 14741-2

12. FOREIGN TRADE. The Ways and Means Committee reported with amendment H.R. 6006, to amend the Antidumping Act of 1921 for greater efficiency (H. Rept. 1261). p. 14771

13. LEGISLATIVE ACCOMPLISHMENTS. Rep. Madden summarized the legislative activity of this session of Congress, as he viewed it, estimating that "the farmers lost 12 billion in income during this 4½ year period." pp. 14757-8
Rep. Natcher summed up the activities of Congress in this session from the budgetary view and concluded, "Our use of the paring knife on this distended budget was proper in every respect." pp. 14768-9

ITEMS IN APPENDIX

14. WATER RESOURCES. Extension of remarks of Sen. Johnson stating that "a problem that is common to all Texas is that of adequate development of the State's water resources," and inserting an editorial on this subject. p. A7069

15. FAMILY FARM. Sen. Humphrey inserted an editorial, "An Issue That Must Be Faced Soon," relating to a resolution pending in the Congress calling for a family-farm food and fiber policy. pp. A7069-70

- Extension of remarks of Sen. Johnson inserting an editorial, "Challenge to Farming and Small Towns," discussing the "alarming" movement away from the rural areas. p. A7071

85TH CONGRESS
1ST SESSION

H. R. 9302

IN THE HOUSE OF REPRESENTATIVES

AUGUST 27, 1957

Ordered to be printed with the amendments of the Senate numbered

AN ACT

Making appropriations for Mutual Security for the fiscal year ending June 30, 1958, and for other purposes.

1 *Be it enacted by the Senate and House of Representa-*
2 *tives of the United States of America in Congress assembled,*
3 That the following sums are appropriated, out of any money
4 in the Treasury not otherwise appropriated, for the fiscal
5 year ending June 30, 1958, namely:

MUTUAL SECURITY

FUNDS APPROPRIATED TO THE PRESIDENT

8 For expenses necessary to enable the President to carry
9 out the provisions of the Mutual Security Act of 1954, as
10 amended, to remain available until June 30, 1958 unless
11 otherwise specified herein, as follows:

1 Military assistance: For assistance authorized by sec-
2 tion 103 (a) to carry out the purposes of title I, chapter 1
3 (including administrative expenses as authorized by section
4 103 (b), which shall not exceed \$23,500,000 for the fiscal
5 year 1958 ~~(1)and purchase of passenger motor vehicles for~~
6 ~~replacement only~~), ~~(2)\$1,250,000,000 \$1,475,000,000(3)~~,
7 *to remain available until expended*; and in addition not to ex-
8 ceed \$538,800,000 of unobligated and unreserved and bal-
9 ances of funds heretofore made available for purposes of
10 section 103 (a) and section 104 are continued available
11 ~~(4)until expended~~ for the purposes of section 103 (a);

12 Defense support: For assistance authorized by section
13 131 (b), ~~(5)\$585,000,000 \$689,000,000(6)~~, *to remain*
14 *available until expended*; and in addition \$36,000,000 of un-
15 obligated balances of funds heretofore made available for pur-
16 poses of section 131 are continued available for the purposes
17 of that section: *Provided*, That not less than ~~(7)\$40,000,000~~
18 \$35,000,000 thereof shall be available for Spain, exclusive
19 of technical cooperation;

20 Development assistance: Not to exceed \$52,000,000
21 of unobligated balances of funds heretofore made available
22 for purposes of development assistance are hereby continued
23 available for the purposes for which originally appropriated;

24 Development Loan Fund: For advances to the Develop-

1 ment loan fund as authorized by section 203, (8)\$300,000,-
2 000 \$400,000,000, to remain available until expended;

3 Technical cooperation, general authorization: For assist-
4 ance authorized by section 304, (9)\$113,000,000 \$114,-
5 900,000(10), to remain available until expended; and in
6 addition not to exceed \$12,000,000 of unobligated balances
7 of funds heretofore made available for purposes of section
8 304 are continued available for the purposes of that section;

9 United Nations expanded program of technical assist-
10 ance: For contributions authorized by section 306 (a),
11 \$15,500,000(11): *Provided*, That the United States con-
12 tribution to the 1948 calendar year program shall not exceed
13 33.33 per centum of the United Nations program;

14 Technical cooperation programs of the Organization of
15 American States: For contributions authorized by section
16 306 (b), \$1,500,000;

17 Special assistance, general authorization: For assistance
18 authorized by section 400 (a), (12)\$175,000,000 \$225,-
19 000,000: *Provided*, That not less than (13)\$10,000,000
20 \$7,500,000 shall be available for Guatemala;

21 (14)Special assistance, Latin America: For assistance
22 authorized by section 400 (b), \$20,000,000, to remain
23 available until expended;

24 Special assistance in joint control areas in Europe: For

1 assistance authorized by section 403, \$11,500,000(15),
2 which shall remain available until September 30, 1958;

3 Intergovernmental Committee for European Migration:
4 For contributions authorized by section 405 (a), \$12,500,-
5 000: *Provided*, That no funds appropriated in this Act shall
6 be used to assist directly in the migration to any nation in the
7 Western Hemisphere of any person not having a security
8 clearance based on reasonable standards to insure against
9 Communist infiltration in the Western Hemisphere;

10 United Nations Refugee Fund: For contributions
11 authorized by section 405 (c), \$2,233,000;

12 Escapee program: For assistance authorized by section
13 405 (d), \$5,500,000;

14 United Nations Children's Fund: For contributions
15 authorized by section 406, \$11,000,000;

16 United Nations Relief and Works Agency: Not to ex-
17 ceed \$23,800,000 of unobligated balances of funds hereto-
18 fore made available for purposes of section 407 are continued
19 available for purposes of that section;

20 North Atlantic Treaty Organization: For contributions
21 for the construction of the North Atlantic Treaty Organiza-
22 tion civilian headquarters as authorized by section 408:
23 \$1,500,000;

24 Ocean freight charges, United States voluntary relief

1 agencies: For payments authorized by section 409 (c),
2 \$2,200,000;

3 Control Act expenses: For carrying out the purposes of
4 the Mutual Defense Assistance Control Act of 1951, as
5 authorized by section 410, \$1,000,000;

6 General administrative expenses: For expenses author-
7 ized by section 411 (b), \$32,750,000;

8 Atoms for Peace: Not to exceed \$4,450,000 of unobli-
9 gated balances of funds heretofore made available for purposes
10 of section 12 of the Mutual Security Act of 1956 are hereby
11 continued available for the purposes of section 419;

12 Funds appropriated under each paragraph of this Act
13 (other than appropriations under the head of military assist-
14 ance), including specified amounts of unobligated balances,
15 and amounts certified pursuant to section 1311 of the Sup-
16 plemental Appropriation Act, 1955, as having been obli-
17 gated against appropriations heretofore made for the same
18 general purpose as such paragraph, which amounts are
19 hereby continued available (except as may otherwise be
20 specified in this Act) for the same period as the respective
21 appropriations in this Act for the same general purpose,
22 may be consolidated in one account for each paragraph.

1 DEPARTMENT OF STATE

2 Administrative expenses: For expenses of the Department
3 of State as authorized by section 411 (c) of the Mutual
4 Security Act of 1954, as amended, \$4,577,000(16): *Pro-*
5 *vided, That the Secretary of State is authorized to transfer*
6 *funds herein appropriated to any appropriation available*
7 *for administrative expenses of the Department of State*
8 *for the current fiscal year, and any funds so transferred*
9 *shall be accounted for as part of the appropriations to which*
10 *they are transferred.*

11 GENERAL PROVISIONS

12 SEC. 102. No part of any appropriation contained in this
13 Act shall be used for publicity or propaganda purposes
14 (17)not heretofore authorized by the Congress *within the*
15 *United States.*

16 SEC. 103. Payments made from funds appropriated
17 herein for engineering fees and services to any individual
18 engineering firm on any one project in excess of \$25,000
19 shall be reported to the Committees on Appropriations of the
20 Senate and House of Representatives at least twice annually.

21 SEC. 104. Pursuant to section 1415 of the Supplemental
22 Appropriation Act, 1953, and in addition to other amounts
23 made available pursuant to said section, not to exceed the
24 equivalent of \$300,000 of foreign currencies or credits owed

1 to or owned by the United States shall remain available
2 until expended, without reimbursement to the Treasury,
3 for liquidation of obligations incurred against such currencies
4 or credits prior to July 1, 1953, pursuant to authority con-
5 tained in the Mutual Security Act of 1951, as amended,
6 and Acts for which funds were authorized by that Act and,
7 hereafter, foreign currencies generated under the provisions
8 of this Act shall be utilized only for the purposes for which
9 the funds providing the commodities which generated the
10 currency were appropriated.

11 SEC. 105. None of the funds provided by this Act nor
12 any of the counterpart funds generated as a result of assist-
13 ance under this or any other Act shall be used to make pay-
14 ments on account of the principal or interest on any debt
15 of any foreign government or on any loan made to such
16 government by any other foreign government; nor shall
17 any of these funds be expended for any purpose for which
18 funds have been withdrawn by any recipient country to
19 make payment on such debts: *Provided*, That to the
20 extent that funds have been borrowed by any foreign
21 government in order to make a deposit of counterpart and
22 such deposit is in excess of the amount that would be re-
23 quired to be deposited pursuant to the formula prescribed
24 by section 142 (b) of the Mutual Security Act of 1954,

1 as amended, such counterpart may be used in such country
2 for any agreed purpose consistent with the provisions of
3 such Act.

4 (18) SEC. 106. Except for the appropriations entitled "Spe-
5 cial assistance, general authorization" and "Development
6 loan fund", not more than 20 per centum of any appro-
7 priation item made available by this Act shall be obligated
8 and/or reserved during the last two months of the fiscal
9 year.

10 (19) SEC. 107. None of the funds made available by this
11 Act shall be used to carry out the purposes of the first
12 sentence of section 400 (e) of the Mutual Security Act of
13 1954, as amended.

14 SEC. (20) 108 106. The appropriations and authority with
15 respect thereto in this Act shall be available from July 1, 1957,
16 for the purposes provided in such appropriations and author-
17 ity. All obligations incurred during the period between
18 June 30, 1957, and the date of enactment of this Act in an-
19 ticipation of such appropriations and authority are hereby
20 ratified and confirmed if in accordance with the terms hereof.

21 SEC. (21) 109 107. The Congress hereby reiterates its
22 opposition to the seating in the United Nations of the Com-
23 munist China regime as the representative of China, and it is
24 hereby declared to be the continuing sense of the Congress
25 that the Communist regime in China has not demonstrated its

1 willingness to fulfill the obligations contained in the Charter of
2 the United Nations and should not be recognized to represent
3 China in the United Nations. In the event of the seating of
4 representatives of the Chinese Communist regime in the
5 Security Council or General Assembly of the United Nations,
6 the President is requested to inform the Congress insofar as is
7 compatible with the requirements of national security, of the
8 implications of this action upon the foreign policy of the
9 United States and our foreign relationships, including that
10 created by membership in the United Nations, together with
11 any recommendations which he may have with respect to
12 the matter.

13 SEC. ~~(22)~~⁴¹⁰ 108. This Act may be cited as the
14 "Mutual Security Appropriation Act, 1958".

Passed the House of Representatives August 15, 1957.

Attest: RALPH R. ROBERTS,
Clerk.

Passed the Senate with amendments August 27, 1957.

Attest: FELTON M. JOHNSTON,
Secretary.

85TH CONGRESS
1ST SESSION

H. R. 9302

AN ACT

Making appropriations for Mutual Security for the fiscal year ending June 30, 1958, and for other purposes.

IN THE HOUSE OF REPRESENTATIVES

AUGUST 27, 1957

Ordered to be printed with the amendments of the Senate numbered

In They Are America the Department of Labor has taken the best from the experience of private industry and utilized the latest techniques of the art of layout and design combined with simple, clear text. It has also crammed much valuable information between its covers, interestingly illustrated with striking photographs donated by private industry.

This publication, produced by the Labor Department at a cost no greater than that of the usual stiff, dull, uninteresting Government report, will, I hope, encourage other Government agencies and departments to examine their publications and see if they couldn't be made more readable and acceptable to a wider audience than they now are.

The best testimony as to the quality and value of They Are America comes in the form of an unusual editorial about the book, which appeared in the New York Times of Monday, August 19, and which I would like to have printed in the RECORD at this point.

There being no objection, the editorial was ordered to be printed in the RECORD, as follows:

AMERICA'S LABOR FORCE

They Are America, an 83-page booklet put out by the United States Department of Labor, stands out in shiny contrast among the multitude of publications that pour from the Government Printing Office. It is packed, but not too heavily, with facts and statistics and is lightened by vivid photographs—mostly donated by private agencies—and by a simple and engaging use of words.

For the general reader They Are America gives a striking picture of the United States labor force—its makeup, its problems, its possibilities in the revolutionary changes of today and tomorrow, and the protection it receives from the Federal laws and their administration. Especially interesting is the chapter on the impact of modern technological changes on employment—changes which are not coming as swiftly as commonly supposed. None of the plants noted for installing new machines and methods which are covered by Labor Department surveys has laid off large groups of workers. "Management has sought to expand and diversify rather than to displace labor."

Other chapters deal with the increasing demand for skilled and service workers as the nature of work changes, the mounting proportion of older workers—their problems and possibilities, the urgent need for greater education of our youth, the growing security which is given labor through Federal laws and the Department's activities, and American cooperation with the International Labor Organization in raising living and working conditions everywhere.

Altogether this is a valuable and attractive package of information—cheap at the 60-cent price tag. Copies may be had from the Superintendent of Documents, Washington 25, D. C.

THE PRESIDING OFFICER. Is there further morning business? If not, morning business is closed.

MR. KNOWLAND. Mr. President, I suggest the absence of a quorum.

THE PRESIDING OFFICER. The clerk will call the roll.

The Chief Clerk proceeded to call the roll.

MR. JOHNSON of Texas. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

THE PRESIDING OFFICER (Mr. SMATHERS in the chair). Without objection, it is so ordered.

MUTUAL SECURITY APPROPRIATIONS, 1958

MR. JOHNSON of Texas. Mr. President, I move that the Senate proceed to the consideration of Calendar No. 1151, H. R. 9302.

THE PRESIDING OFFICER. The bill will be stated by title for the information of the Senate.

THE CHIEF CLERK. A bill (H. R. 9302) making appropriations for mutual security for the fiscal year ending June 30, 1958, and for other purposes.

THE PRESIDING OFFICER. The question is on agreeing to the motion of the Senator from Texas.

The motion was agreed to; and the Senate proceeded to consider the bill which had been reported from the Committee on Appropriations with amendments.

MR. JOHNSON of Texas. Mr. President, we have before us a measure which represents one of the most thoroughly studied activities of our Government.

Mutual security has been under congressional consideration since early last spring. Before that, it has been the target of searching legislative and executive investigations.

We have passed upon the basic principles. By our votes, we decided that there would be a mutual security bill this year. We also concluded it should take a new direction—greater emphasis on loans; less emphasis on gifts.

Only one question remains before us. It is simply how much of a program we will approve. The hows have been decided; but we must still determine the extent.

I know of no man who can reach up into thin air and pull out a magic figure. We cannot measure the exact amount which best serves the interests of our country with the same precision of an engineer measuring the stresses and strains in a beam.

We can only study the problem carefully; gather all available facts and figures and then exercise our collective judgment.

That is precisely what the Appropriations Committee did.

We tried to take into account many factors.

In the first place, we must allow for the uncertain international situation. It might get better—and we hope it will—but it might get worse. The only thing that is reasonably certain is that it will not remain the same.

We heard an announcement yesterday. The Soviets said they had fired successfully an intercontinental ballistic missile.

The announcement may be mere bragadocio. It might signify merely the firing of a test missile—exaggerated for propaganda purposes. Or it might be the precise, accurate truth.

We do not know. But we do know that the international situation is subject to change at any moment—and we cannot afford to take chances.

In the second place, we do not know for certain just how much is already in the pipeline from previous appropriations. We have heard estimates but the only safe statement is that it is in excess of \$5 billion.

In addition, this country holds currencies of other countries in the amount of \$2.5 billion resulting from sales of agricultural surpluses. We can draw from these so-called counterpart funds to further mutual security and its objectives.

The question still remains: How much?

The President originally asked for \$4.4 billion. He then scaled that down to \$3.8 billion.

The Senate voted an authorization of \$3.6 billion and the House \$3.1 billion. We settled on the compromise figure of \$3.3 billion.

The President has told us that he can make out with this \$3.3 billion, but no less. On the other hand, the House claims that \$2.5 billion is sufficient to carry the program.

No useful purpose is served by claiming that one figure rather than another is the proper amount. We know only that if we are to approve the program we must allow a margin of safety.

The passage of this bill insures \$3,025,660,000 of new money recommended by the Senate Appropriations Committee, and a reappropriation of \$667,050,000 of unobligated balances, for a total appropriation of \$3,692,710,000. This represents a margin of safety. I hope it will be approved by the Senate. I hope the President will find it acceptable.

That amount reflects a reasoned confidence in the President's judgment. It allows for some of the shifts and turns which may take place in the international situation.

It also reflects the views of Members of both branches of Congress that more could be done and should be done in the interests of economy.

This amount will continue necessary defense cooperation with friendly nations.

With this amount essential assistance in emergency situations can continue.

This amount enables us to switch from a giveaway program to a program of mutually beneficial and respectable loans.

This amount allows for intelligent pursuit of point 4, the technical cooperation program, which is one of the most useful we have developed.

Three billion dollars, in short, will be enough if the administration undertakes the necessary reforms. It will be enough if the economy that is preached is also practiced.

It will be enough if the administration makes progress in integrating ICA within the Department of State and eliminates costly duplication and confusion.

I hope we can move promptly to close out this legislation for the current session and that the Senate will approve the committee's work.

The committee, by a substantial vote of 2 to 1 without regard to party lines,

makes this recommendation. The recommendation does not go as far as many members would have liked it to go. It goes farther than some members were willing to go. However, it represents the reasoned judgment of reasonably prudent men. I hope it will reflect the judgment of a majority of the Senate.

Mr. KNOWLAND. Mr. President, at a subsequent time I shall discuss the bill in greater detail, but at this point I merely wish to say that I shall fully support the chairman of the Committee on Appropriations, the Senator from Arizona [Mr. HAYDEN] in reporting the bill to the Senate.

As the distinguished majority leader has said, the bill was reported by the committee with bipartisan support. That vote was 14 to 7. It comes to us after prolonged hearings before the Committee on Appropriations. As the majority leader has said, it was less than some members felt was wise, and more than others felt should be appropriated.

It is a reasonable compromise between the various points of view. I believe it represents the action of the two Houses in trying to meet the situation before us. Less than 10 days ago the 2 Houses approved an authorization bill of \$3,386,860,000. While I recognize, as I am sure all other Members of the Senate do, that frequently in the Senate an authorization amount is not followed by an appropriation in precisely the same amount—and that happens in many cases, such as on public works and other authorization bills—I wish to say that we have a rather unusual situation inasmuch as the authorization bill was passed within 10 days after rather prolonged discussion in both Houses on a subject matter which is closely related to the national defense and the foreign policy of our country.

Within 10 days of that time we come forward with an appropriation bill. The bill, as has been pointed out, is \$361,200,000 under the authorization bill and the estimates which accompanied that bill. It is under the appropriations for 1957 by \$740,910,000. It is under the January budget estimate of the President by \$1,374,340,000.

No man is wise enough to know what developments may take place between now and when Congress reconvenes in January. However, I believe, in view of world conditions, and in view of the developments which have recently taken place in the Mideast, it would not be prudent, under the circumstances, to cut the appropriation further.

For those reasons and for the reasons mentioned by the distinguished majority leader, I shall support the amount as reported by the Committee on Appropriations, and shall vote against all amendments.

Mr. JOHNSON of Texas. Mr. President, will the Senator yield?

Mr. KNOWLAND. I yield.

Mr. JOHNSON of Texas. I wish to associate myself with the last statement of the Senator from California. I shall support the action of the committee, and its distinguished chairman, and shall resist any increase in the amount or any decrease in the amount, as I understand

the Senator from California will also. I hope we can pass the bill as quickly as possible.

Mr. KNOWLAND. I thank the Senator.

Mr. HAYDEN. Mr. President, the bill which the committee has reported to the Senate contains appropriations of new funds of \$3,025,660,000. This is an increase of \$500,900,000 over the amount provided by the House bill. The principal increase is in the military assistance program, for which the committee has added \$225 million. For defense support, the committee has increased the House appropriation by \$104 million. For the new development loan fund the committee has reported an appropriation of \$400 million, which is an increase of \$100 million over the amount provided by the House. For special assistance, general authorization, the committee has increased the appropriation contained in the House bill by \$50 million, to a total of \$225 million. For the Latin American development fund the committee has included \$20 million, whereas the House had not recommended any appropriation for this item. The remaining increase recommended by the committee is in the technical assistance program for which the committee has added \$1.9 million to the bill. The increases which I have mentioned total \$500,900,000.

Mr. President, I ask unanimous consent that the committee amendments to the bill be agreed to en bloc and that the bill as thus amended be regarded for the purpose of amendment as original text, provided that no points of order shall be considered to have been waived by reason of agreement to this order.

The PRESIDING OFFICER. Is there objection?

Mr. ELLENDER. Reserving the right to object, I wonder whether the Senator from Arizona will be willing to have the proposed agreement apply to all the amendments with the exception of the one pertaining to the military assistance appropriation.

Mr. HAYDEN. Of course, even under the proposed agreement, any Senator would have the right to offer a further amendment.

However, I shall except from the agreement the military assistance amendment, which is the first committee amendment to the bill. Mr. President, I so modify my request.

The PRESIDING OFFICER. Is there objection to the unanimous-consent request, as modified?

Without objection, it is so ordered.

The committee amendments agreed to en bloc are as follows:

Under the heading "Mutual Security—Funds Appropriated to the President", on page 2, line 5, after the numerals "1958", insert "and purchase of passenger motor vehicles for replacement only"; and in line 10, after the word "available", insert "until expended."

On page 2, line 13, after "131 (b)", strike out "\$585,000,000" and insert "\$689,000,000, to remain available until expended", and in line 17, after the word "than", strike out "\$40,000,000" and insert "\$35,000,000."

On page 3, line 1, after the numerals "203", strike out "\$300,000,000" and insert "\$400,000,000."

On page 3, line 4, after the numerals "304", strike out "\$113,000,000" and insert "\$114,900,000, to remain available until expended."

On page 3, line 11, after the figures "\$15,500,000", strike out the colon and "Provided, That the United States contribution to the 1948 calendar year program shall not exceed 33.33 percent of the United Nations program."

On page 3, line 18, after "400 (a)", strike out "\$175,000,000" and insert "\$225,000,000."

On page 3, line 19, after the word "than", strike out "\$10,000,000" and insert "\$7,500,000."

On page 3, after line 20, insert:

"Special assistance, Latin America: For assistance authorized by section 400 (b), \$20,000,000, to remain available until expended."

On page 4, line 1, after the figures "\$11,500,000", insert "which shall remain available until September 30, 1958."

Under the subhead "Department of State", on page 6, line 4, after the figures "\$4,577,000", insert a colon and "Provided, That the Secretary of State is authorized to transfer funds herein appropriated to any appropriation available for administrative expenses of the Department of State for the current fiscal year, and any funds so transferred shall be accounted for as part of the appropriations to which they are transferred."

Under the subhead "General Provisions", on page 6, line 13, after the word "purposes", strike out "not heretofore authorized by the Congress" and insert "within the United States."

On page 8, after line 3, strike out:

"SEC. 106. Except for the appropriations entitled 'Special assistance, general authorization' and 'Development loan fund', not more than 20 percent of any appropriation item made available by this act shall be obligated and/or reserved during the last 2 months of the fiscal year."

On page 8, after line 9, strike out:

"SEC. 107. None of the funds made available by this act shall be used to carry out the purposes of the first sentence of section 400 (c) of the Mutual Security Act of 1954, as amended."

On page 8, line 14, change the section number from "108" to "106."

On page 8, line 21, change the section number from "109" to "107."

On page 9, line 13, change the section number from "110" to "108."

Mr. SALTONSTALL. Mr. President, will the Senator from Arizona yield to me?

Mr. HAYDEN. I yield.

Mr. SALTONSTALL. I wish to add a word, as the senior Republican member of the committee present at this time, in the absence of the senior Senator from New Hampshire [Mr. BRIDGES].

I agree with what the Senator from Arizona has said. The committee has worked hard on this measure. The bill has received bipartisan support. The amendments have been worked out in a way which is satisfactory to a great majority of the committee. The amendments are not all that some of us want, and they are more than some others want. But as a whole, the bill is a good one, and it will be helpful to the security of the country.

Let me say, in addition to what the chairman of the committee and the two leaders have said, that the bill contains a number of language amendments which also are of importance, if the bill is to provide the greatest possible advantage in mutual security with other

countries and in promoting our own national security.

Mr. President, I hope the bill will pass the Senate without floor amendment.

Mr. WILEY. Mr. President—

Mr. HAYDEN. I yield to the Senator from Wisconsin.

Mr. WILEY. Mr. President, the Syrian crisis sharpens the administration's fears of the effects of the cuts in the foreign aid appropriation bill.

I listened with interest to the colloquy between the majority leader and the minority leader this morning.

I wish to say, as I said the other day to a leader in Government, that we have done a poor job in selling to the people what we call mutual assistance. The phrase "giveaway" has been sold very aptly by those who are blind and who do not sense the world situation. Neither do they realize that the investment in much of this mutual assistance will save us 10 to 1. It has been stated before on the floor of the Senate that it is possible to provide 10 divisions of Turkish troops for the cost of 1 American division. That ratio is illustrative of the existing situation. And Turkey is on our first line of defense.

But the new situation which developed the other day, when Moscow announced what it has described as a successful testing of an intercontinental ballistic missile, requires the promptest reappraisal of America's total effort in weapons and defense development.

Of course the Soviet announcement will probably be reacted to by most persons in accordance with their individual opinions. Americans who have tended to take a gloomy outlook regarding American defense, now will feel doubly confirmed in their view, and no doubt will say, "We told you so." Other Americans, who have been prone to deride the Soviet effort, will tend to feel that Moscow has merely claimed something before she has actually achieved it.

Personally, I do not profess to have sufficient information to be able to state which view is the correct one, because we are still largely "in the dark" regarding Russia's scientific advances. No matter how much we perfect American intelligence-gathering operations, there remains an enormous amount of guess-work concerning Russia's actual strength.

Under these circumstances, we have no alternative but to make certain assumptions and take certain actions. These are, as follows:

First. Regardless of whether Russia has already developed the ICBM or not, the fact is that almost everyone predicts that, sooner or later, she will develop it.

The fact that she may have a working model in August 1957, or 1 month later, in September, or in December 1957, is not necessarily the crucial fact. What is crucial in that her all-out effort sooner or later will undoubtedly produce such a missile.

Second. A second assumption is that the intercontinental missile is not necessarily the so-called ultimate of all weapons. Admittedly, it poses defense problems which stagger the imagination. I mean defense in terms of the North

American Continent, or for that matter, in terms of any other area of the world.

Nevertheless, the fact of the matter is that what the human mind has devised, the human mind can combat.

That is why I am glad President Eisenhower has already taken steps toward having America arrive at the defense answer to the ultimate weapon. If we develop a defense against this weapon, there will be other, newer weapons still to come. The race does not stop at any one point. Or, to put it another way, we are not in a nine-inning ball game with a specific time limit. Each side will go on, indefinitely, trying to surpass the other, even though each side already possesses the power almost to annihilate the other.

Third. This concept of an indefinite race is, of course, predicated on the assumption that there will be no sudden development which will end peaceful technical competition and will cause open warfare.

Many people will feel that, as Winston Churchill well stated:

The two great adversaries may now have achieved a balance of mutual terror.

This is hardly a source of comfort to any thinking person.

In any event, under these circumstances, we must take a new look at the United Nations disarmament discussions in London. We must determine to what extent they may have become obsolescent because of this and many other technical developments. But we must definitely not lose heart and think that there is no solution to the disarmament problem.

Neither must we allow our zeal for some type of disarmament arrangement to blind our eyes. Unilateral disarmament, especially now, would be little short of suicide. A disarmament system not truly enforceable, not truly ironclad, would be the height of folly.

In summary, the Soviet announcement is neither cause for gloom nor cause for self-recrimination. It is a cause for much thought and much more constructive action on our part, along the lines I have mentioned.

The present Soviet announcement may be 10 percent propaganda and 90 percent fact. Whatever may be the ratio between propaganda and fact, the announcement constitutes a serious challenge to the free world to look to further means to assure its own survival.

Mr. President, I have mentioned these points particularly in connection with the discussion of the pending mutual security appropriation bill. I believe the existing national and international situation makes it imperative that the bill, with the necessary amendments, be promptly enacted into law, and that then the Congress begin to consider what further action should be taken as regards strengthening our defenses through mutual security.

Mr. JOHNSTON of South Carolina obtained the floor.

Mr. O'MAHONEY. Mr. President, will the Senator from South Carolina yield to me? I wish to ask a question of the Senator from Wisconsin.

Mr. JOHNSTON of South Carolina. I yield for that purpose.

Mr. O'MAHONEY. Mr. President, I should like to have the attention of the Senator from Wisconsin, if I may.

Mr. WILEY. I am always happy to reply to any questions the Senator from Wyoming may ask.

Mr. O'MAHONEY. The Senator from Wisconsin is very kind. I have always listened with much interest and much profit to what the Senator from Wisconsin has to say.

Mr. WILEY. I thank the Senator from Wyoming.

Mr. O'MAHONEY. I am particularly interested in the comments of the Senator from Wisconsin on mutual security, because the Senator from Wisconsin is the ranking Republican member of the Foreign Relations Committee.

This morning, if I understood him correctly, he referred to the report which has just come across the seas, by radio, to the effect that Soviet Russia has announced the completion of an intercontinental ballistic missile.

Mr. WILEY. That is correct.

Mr. O'MAHONEY. The comments from the United States are to the effect that the United States is only 90 percent on the way to accomplishing the construction of such a weapon of war.

Mr. WILEY. I would not admit that the United States is only 90 percent on the way.

Mr. O'MAHONEY. I have no knowledge about the matter, but one of the military experts was so quoted on the radio this morning. Whether he was right or wrong, I do not pretend to say.

But I should like to ask this question of the Senator from Wisconsin: In the light of the fact that we seem to be involved in an arms race with Soviet Russia, for the construction of nuclear weapons, is it wise for us to be appropriating funds, as we do under the pending appropriation bill, for military aid in ordinary and conventional weapons to be supplied to small nations? For example, on page 2 of the bill we find, under the heading "Military Assistance," that the Senate Appropriations Committee has voted to increase the House appropriation from \$1,250,000,000 to \$1,475,000,000, or an increase of \$225 million. What is the purpose?

To carry out the purposes of title I, chapter 1, including administrative expenses as authorized by section 103 (b), which shall not exceed \$23,500,000 for the fiscal year 1958.

This, in other words, is military assistance to small nations which stand between us and Soviet Russia.

In line 12 we find another paragraph:

Defense support: For assistance authorized by section 131 (b).

For this item the House provided \$585 million. The Senate committee has increased that appropriation to \$689 million, and has made a further provision that this money shall remain available until expended. That phrase "to remain available until expended" means that if the money is not expended during the next fiscal year, the money will remain available without another appro-

priation or another examination by the Congress.

Elsewhere in the bill we find increased grants.

The question I should like to address to the Senator is this: In the light of the nuclear weapons race between Soviet Russia and the United States, is it wise for this country to spend hundreds of millions of dollars for supplying conventional weapons and other weapons to foreign nations?

Mr. WILEY. I am very happy to give the Senator from Wyoming the judgment of a Senator who is not a military man. I must say that the action taken results from testimony given by experts, military personnel. The way I analyze it the situation is very simple. We can get, for a cost of about \$300 a year, 1 South Korean soldier with a rifle or 1 Chinese soldier on Formosa. We can get, for about the same cost, a fighting Turk, or we can get 10 divisions of Turks for the cost of 1 American division. It costs us to maintain an American soldier about \$5,000 a year.

In the situation which now exists in the world, it is the consensus of the best minds that the Kremlin is not willing or ready to start what might be called the devastation of the world. Because the United States has strategically located airfields throughout the earth, where there are based bombers which can carry hydrogen and atomic bombs, Russia knows that if she started something, we would finish it; but the result would be that both of us would be more or less finished. However, we cannot lay down on the job of development of the intercontinental missile. In the meanwhile we have to be ready to put out "brush fires" wherever they may occur. At this time the Kremlin has taken over Syria without firing a shot. Until external warfare is started there, the Eisenhower doctrine does not come into play. Consequently we cannot go to their aid. But if a "brush fire" starts anywhere, we are ready to go to the aid of our allies, and by our allies I include Jordan, Turkey, Iraq, and so forth. I mean those loyal countries and allies to which we have given arms so that they may assist in putting out such "brush fires" and thus prevent a general conflagration. That is the theory of the necessity for giving aid. We invest \$1 to get \$10 worth. And what we furnish is not money but war material, which results from the labor of 400,000 Americans.

Mr. O'MAHONEY. The Senator from Wisconsin has referred to Syria. Does he entertain any fear that Soviet Russia, through infiltration in Syria, has actually finally succeeded in obtaining a port upon the Mediterranean Sea? Russia has been seeking to get a port upon the warm waters of the Persian Gulf and the Mediterranean Sea for centuries, I think. Now finally she has apparently succeeded in taking over Syria. Does that not mean that the possibility of a conflict between Soviet and the West is made greater?

Mr. WILEY. I am neither a prophet nor the son of a prophet, but I agree that all indications are that, because of in-

ternal economic situations, and so forth, the Kremlin is not ready to "pull the plug." What she is doing is using her customary means of taking over and penetrating and getting hold of things she wants.

So far as a port on the Mediterranean is concerned, we recognize the significance of what has happened. The Senator is aware of the fact that our fleet in the Mediterranean has been strengthened. In other words, we are calling Russia's bluff. Russia is not ready for an all-out war. She recognizes, as I have stated, that it would mean the devastation of Russia and probably much of the earth. What she is ready to do is take whatever steps she can—and seek to take over the oil resources in the Middle East. If Russia can get countries of the Middle East to fighting and then get the oil, she will have a clutchhold on Europe. Having a clutchhold on Europe, she may possibly want to proceed further. Not only that, but Russia wants a route to Africa so as to obtain raw materials, without which she and we cannot get along. Russia is a long-distance planner. We have to meet her plans by doing just what we have been doing. The Eisenhower doctrine was established to meet this threat of the Kremlin.

Mr. HUMPHREY. Mr. President, will the Senator yield?

Mr. WILEY. I yield.

Mr. HUMPHREY. Is not what the Senator from Wisconsin is saying that Russia does not want to blow the world to pieces, but wants to pick it up piece by piece?

Mr. WILEY. Yes; that appears to be Russia's plan; nevertheless, we have to remain alert and adequate. I may say to the Senator from Minnesota that I do not have the floor. The Senator from Wyoming has the floor.

Mr. JOHNSTON of South Carolina. Mr. President, I have the floor. I have been kind enough to yield.

Mr. WILEY. The Senator from South Carolina has been doubly kind.

Mr. O'MAHONEY. Mr. President, I desire to make it clear that I am not at all satisfied with the appropriation for military aid to small nations which cannot defend themselves, when we are in the midst of a great arms race for nuclear weapons with the Communist leaders of the world.

Mr. JOHNSTON of South Carolina. Mr. President, the colloquy which has been proceeding shows to the whole world, I think, that the administration and its policies at the present time have absolutely forced Syria into the hands of Communist parties. That is what it means, so far as I can see. If one looks about, he will see how countries near her have been treated. They have been given money, and aid to Syria has been cut down. What could Syria do? That is the policy the administration is following, which has caused us to lose Syria—the policy of giving away our money.

Mr. WILEY. That conclusion, I cannot agree to.

Mr. President, on June 13 I spoke against the mutual-aid program for foreign governments. Since that time I

have seen the President of the United States turn down aid for areas in the United States that have been hit by disaster. In one instance in South Carolina, a short time before the administration's program came before us, the President refused to grant emergency aid to an area in my State which had been struck by tornadic winds that destroyed livestock, barns, homes, and other property.

Since my address of June 13 we have seen the vast majority of Maryland and Virginia gripped in one of the worst droughts in history. I have ridden through the countryside and seen the desolate, bleak crops. Corn is no higher than my knee in some places, and pastures look like the fringe areas next to desert lands. But the President of the United States just last week refused to utilize his powers to invoke aid to the hard-pressed citizens of this area of our own Nation.

Over and over again the administration refused to help the people of our own country who are in need of assistance. He has cut back seed and feed loan programs for farmers; he has hiked interest rates; he has invoked a new program to hamper and curtail construction of rural electrification lines for the rural areas of America; he has fought at every hand programs for development of public power and to preserve our natural resources.

Now, while he still comes to us in Congress for more funds for foreign governments, his administration is in the midst of severe economic and manpower cuts in our own military defenses at home—cuts which may not only severely hamper our military strength, but which may have severe repercussions against the economic health of vast areas of this Nation. All this the present administration is doing to our own people—the people who are paying the freight and carrying the tax load to pay for this administration's wild dollar-squandering foreign-aid policies.

Mr. President, if we pass this bill, which will appropriate another \$3,692,-710,000 on foreign giveaway programs, we will be literally slapping the drought-stricken farmers in the face. We will be telling the American taxpayers, in essence, that we care more about the problems of Europe and Asia and Africa than we do about our own people at home. This is true, for we will be giving blanket approval to a spending program for foreign countries while we stand idly by allowing the President to invoke an attitude of "do-nothingism" for the American citizens.

Nearly 5 years ago the President campaigned around the country promising all kinds of tax cuts, and upbraiding the Democrats about the high cost of living and how the dollar is inflated. He promised to reduce living costs, bring back the value of the dollar, and reduce the national debt.

Did he reduce the debt? No. During the first 3 years of his administration he spent \$45 billion more than had been spent in the last 3 years of the Truman administration, although at that time there was being carried on an active

war—or a police action, whichever one may desire to call it.

But since being in office, instead of cutting taxes, reducing the cost of living, or stabilizing the value of the dollar, this administration has increased the cost of living and promoted inflation of the quantity of money by this wild overseas foreign-aid program, and has continued this giveaway nonsense, making it impossible to cut taxes.

In recent years we have spent more than \$115 billion on foreign-aid programs. We owe every cent of that amount, and are going to pay taxes on it, I predict, for the next 100 years. At the present moment we have more than \$7 billion in the so-called pipeline; that is, money for foreign aid which the administration has not been able to spend. Why, I will never know, for they throw it around like water. But despite the fact that they have \$7 billion yet unspent, they want another three-billion-six-hundred-odd-million dollars to push farther down the drain. They call it the pipeline, but in my way of thinking, it is a drainpipe and there is no end to it.

We do not have this money to give away. It is all being borrowed by the Government and we will have to pay it back. The taxpayers are paying 3½ percent interest on this money and have very little hope of ever getting relief at the present rate we are going.

It is not being required that this money be matched by the foreign governments on any of these so-called mutual programs, and very little of it can be attributed to defense or mutual security. They hide behind that. I know when we construct a hospital in South Carolina or in any other State under the Hill-Burton Act, the money going to the particular State must be matched by that State, and then a swarm of Government people see to it that that money goes strictly for hospital work or whatever the case may be. But not so in the case of mutual-security appropriations. They do not have to be mutual and they do not have to relate to security.

The entire program is rather ridiculous. I know of one instance where they sent more than \$1 million to a country, Pakistan, to promote the fishing industry of that nation. I do not know what kind of fish are involved, but if we have a similar industry in America, we can bet it will not be long before that industry comes seeking relief because of the Pakistan fishing industry, just as the American textile industry came for help after this Government had spent millions in Japan building up that country's textile industries. Of course, when our industries seek relief, then the administration tells them there is nothing that can be done, for it might impair our mutual security. Yes; it is anything but mutual. The other countries take our money, build their agriculture and industries, compete with our industries and farmers and workers, put our industries out of business, idle our workers and cause our farmers to be unemployed—but we can do nothing about it because it might impair our mutual security. What good is this kind of mutuality

when all is lost in the process of accomplishment?

Do Senators know that under this so-called mutual-security program there were millions of dollars' worth of electronic equipment, including electronic microscopes, sent to the Philippines for location at places where there was not even electricity with which to operate them?

I do not know what happened to them finally, but I assume we undertook to construct a dam or a generating plant and electric lines to bring that underdeveloped area out of the mud. But I should not mention that, I suppose, because someone might ask "Why, then, is the present administration opposing rural electrification and hydroelectric projects at home, if it is doing the same thing for foreign countries?"

Then, Mr. President, there was the instance of our setting about to build a dam in the Middle East where the people did not even want it. I think the dam project was finally abandoned. I understand the administration did not think that was too great a loss since there were only a few million dollars involved. They were taxpayers' dollars. I wonder how many taxpayers' taxes it took to scrape up the few million involved in that deal.

Another time the mutual-security program resulted in the construction of a series of airports in Afghanistan. The fact that people travel by camel in that country and that no one had much use for the airports meant nothing to the project people. That money was in the pipeline and had to be spent. It is sort of an international PWA project to them.

This program is filled with stupid programs and projects, as I just mentioned. There is no end to the blunders and waste committed in this program of dollar diplomacy which apparently has no end. The tragedy of it all is that instead of promoting mutual security, as its name would imply, it is promoting inflation, destroying the hopes of taxpayers for any tax cuts, raising the national debt and seriously endangering our economy. The program has not developed one country into being a close friend of ours. That is a big statement to make. The program has, in fact, created a fantastic jealousy among the people of the countries affected for our unbearable—in their eyes—richness, and our foolishness. To them, we are the "flashy Americans" with more money to do with than we have sense. Senators would be surprised to know how many foreigners think that about us. They do not know we are struggling under mountainous debt and borrowing more to build the mountain higher. Little has been done to tell the true story of this so-called mutual-security program, either at home or abroad. At home we are told its security. Abroad the people are told nothing except that it is a handout from Uncle Sam. There is no gratitude in their hearts, and no satisfaction in ours. It is mutual waste, mutual extravagance, mutual distrust, and mutually useless.

Mr. President, there is but one way to straighten this mess out. That one way

is in our hands. We should do away with this ghostly program and replace it with one of good sense, and one that has realism and not fantasy. We need a big stick instead of international theory, and we need to replace food and guns for dollars and development.

We need to make sure that all these funds are going for mutual security, and insure that by insisting on some matching effort by the countries to whom we send this aid.

I see nothing in this bill but more waste, more taxes, more national debt, and more inflation. Certainly I see nothing mutual, nor do I see any security in this kind of legislation. I urge other members of the Senate to vote against this international pork-barrel legislation.

It is called pork-barrel legislation when we get some project for our States, but this is international pork-barrel legislation, and I shall vote against the bill when it comes to a vote.

MR. CLARK. Mr. President, I should like to state briefly for the RECORD why I shall support the majority position in respect to the mutual security bill.

In my judgment, the majority leader and the minority leader are to be congratulated for having come forth from the committee with approximately \$500 million more than the amount provided in the House version. I might wish that they had been even more successful, because I stand prepared, if given the opportunity, to vote for the entire amount of mutual security funds recommended by the President and called for in the authorization bill which passed the Senate some weeks ago.

In my judgment, it is essential that the position of the United States as the leader of the free world should be reinforced all around the perimeter of Soviet Russia and the satellite countries. To do so requires that we maintain our position in Formosa, Vietnam, South Korea, Pakistan, and Turkey. It requires that we give those nations not only military aid, but defense support. A large part of the funds provided in the pending measure is to go to those five countries. In my judgment, it is essential that we should continue the aid presently being afforded in support of our position in the NATO countries, in Greece, and elsewhere. I believe that the President should have a substantial fund—even a larger fund than the bill provides—to take care of emergencies in the Middle East and elsewhere. I believe it is essential to continue at full strength the point 4 program first sponsored by President Harry S. Truman and carried on by the present administration.

As one example of that program, I had the opportunity yesterday to talk with an old friend of mine from wartime days, Ray Davis, at present located in Formosa, where he is engaged in the work of a committee of 5, consisting of 2 Americans and 3 Chinese, to increase the productivity of Formosa, Matsu, and the Pescadores Islands. In 2 short years, the work being done there has resulted in the elimination of hog cholera. In 3 short years, the agricultural production of Quemoy and Matsu has been doubled, so

that they are self-supporting, as they were not before.

Work of the type of the point 4 program in Formosa made it possible for Formosa to export last year \$150 million of agricultural products. Those are real achievements in the fight for freedom.

I am fearful that our country is not aware of the very serious perils in which we all live. We are too much like the lotus eaters. We are sitting down and relaxing at a time when we should be alert and pressing forward in our defenses.

I regret that the leadership on the other side of the aisle has not seen fit to propose amendments which would restore the full amount of the recommendations of the President and of the authorization bill which we passed. Had such amendments been proposed, I would have supported them. Chipping away at the mutual security appropriations will result in the deterioration of the program. I am afraid we are sitting back and doing very little to prevent that process from continuing.

We must not lose our freedoms by default. Unless we pass the full amount of the recommendation of the committee, we shall be doing just that.

I suspect that when we return in January we shall be asked to appropriate more funds for the mutual-security program. If so, I shall support such request. This is one of the occasions when I believe we should uphold the President of the United States. I, for one on this side of the aisle, am prepared to do so.

Mr. FULBRIGHT. Mr. President, I wish to say a few words about the pending bill, H. R. 9302. I may say that I do not think very much is called for by way of comment. We debated the subject very thoroughly, and I spoke at length previously as most of us did, during the consideration of the authorization bill. Therefore there is no particular need to review all of the substantive matters involved in the pending bill.

I shall support the committee. I believe the committee did a very excellent job in reviewing the work of the House, and that its increases were made at the proper places.

I do not feel very strongly about the military aspect of the bill, because, as I have said on many other occasions, and as I said during the consideration of the authorization bill and in conference, that if there is one major fault with the program of mutual aid it is in the overemphasis upon military hardware, particularly in such countries as Pakistan and Turkey.

I do not pick out those countries because of any desire to reflect upon them. They have merely cooperated with our own policies, and they certainly should not in any way be criticized for that. We have, as a matter of emphasis, thought that military arms in those places answered the problems, rather than economic or—and I am trying to simplify the thought now—nonmilitary measures, which would include point 4 and economic development.

It is a matter of policy, and I believe our administration has been wrong in overemphasizing that aspect of the pro-

gram. I would not hesitate to go along with a lower figure in those particular items, but the committee, in its wisdom, brought forth a balanced program, and I shall support the committee recommendations in that and in the other items of the bill.

I believe the committee has improved the bill. I still feel that the House, in its insistence upon changing the Senate revisions of the development loan fund proposal practically destroyed the effectiveness of that particular activity. I deeply regret it. I am not reconciled to accepting it. I voted against the authorization bill on that account, because it had destroyed the essence of the development loan fund program. The House itself, in its action on the appropriations, has given proof of the allegation which was made by me and other Senators that we cannot operate a long-term development loan fund by reliance upon annual authorizations.

By proof I mean that only a month ago the House of Representatives and the Senate agreed upon an authorization of \$500 million for the first year for the development loan fund. Then, within a month, the House—both through the Committee on Appropriations and backed by the full House—has made that authorization \$300 million. That is a 40-percent reduction in 1 year.

They have proved the point we made, that in order to establish a development loan fund upon which other countries and our own people administering the program could rely in making long-term plans, it was necessary to have a program such as was authorized by the Senate in the first place; namely, a 3-year program as a minimum, with borrowing authority for the second and third year; in other words, creating the belief on the part of other countries and on the part of our own administrators that this is a long-term program and that they could proceed to get the experts and develop planned programs and planned projects, such projects as have some prospect of really getting at the basic trouble of the recipient countries, like irrigation programs, transportation programs, the building of docks, and projects of that kind, rather than a short-term humanitarian program, as, for example, the eradication of mosquitoes, and the like. That sort of program is perfectly all right, but it is not intended to contribute really to the development of the wealth of a particular country.

I realize that our committee could not do much about that. I realize that it increased the item from \$300 million to \$400 million. That is a gesture in the proper direction, but it is still far short of giving assurance of a 3-year or a 4-year program, or that there will be anything on which a country can rely in developing its long-term program.

So I feel that the whole program is most defective and will not achieve the purpose, because the principle of the development of a loan program was destroyed in the authorization bill, and it is further weakened by means of the pending appropriation bill.

I desire to congratulate the committee on eliminating the provision, as con-

tained in the House version of the bill, which directly destroys the assistance for American colleges abroad. I refer to section 107 of the House version of the bill. Our committee voted to eliminate section 107, and therefore the matter will be in conference. I certainly urge the conferees on the part of the Senate to stand firm on that item. Again, I wish to state for the RECORD that section 400 (c) provides the President with permissive authority to use \$10 million—if he sees fit, of course—in the assistance of American institutions abroad. I have in mind particularly the American University in Beirut, Roberts College in Istanbul, the American University in Athens, and some others. I believe that some of the developments which recently have occurred in Syria, and which all of us know are in process in the Middle East, demonstrate to anyone who is at all observant that aid of this sort is most important.

MESSAGE FROM THE HOUSE—ENROLLED BILLS AND JOINT RESOLUTIONS SIGNED

A message from the House of Representatives, by Mr. Bartlett, one of its reading clerks, announced that the Speaker had affixed his signature to the following enrolled bills and joint resolutions, and they were signed by the Vice President:

- S. 1153. An act for the relief of Zdenka Sneler;
- S. 1167. An act for the relief of John Nicholas Christodoulas;
- S. 1175. An act for the relief of Helene Cordery Hall;
- S. 1241. An act for the relief of Edward Martin Hinsberger;
- S. 1290. An act for the relief of Lee-Ana Roberts;
- S. 1293. An act for the relief of Eithanahu (Eton) Yellin;
- S. 1306. An act for the relief of Pao-Wei Yung;
- S. 1307. An act for the relief of Toribia Bas-terrechea (Arrola);
- S. 1308. An act for the relief of Carmen Jeanne Launois Johnson;
- S. 1335. An act for the relief of Sandra Ann Scott;
- S. 1370. An act for the relief of Wanda Wawrzyczek;
- S. 1387. An act for the relief of Rebecca Jean Lundy (Helen Choy);
- S. 1421. An act for the relief of Ansis Luiz Darzins;
- S. 1496. An act for the relief of Nicoleta P. Pantelakis;
- S. 1685. An act for the relief of Sic Gun Chau (Tse) and Hing Man Chau;
- S. 1736. An act for the relief of Rosa Sigl;
- S. 1767. An act for the relief of Eileen Sheila Dhanda;
- S. 1783. An act for the relief of Randolph Stephan Walker;
- S. 1804. An act for the relief of Marjeta Winkle Brown;
- S. 1815. An act for the relief of Nicholas Dilles;
- S. 1817. An act for the relief of John Panagiotou;
- S. 1838. An act for the relief of Charles Douglas;
- S. 1848. An act for the relief of Michelle Patricia Hill (Patricia Adachi);
- S. 1896. An act for the relief of Maria West;
- S. 1902. An act for the relief of Belia Rodriguez Ternoir;

S. 1910. An act for the relief of Salvatore Salerno;

S. 1962. An act to authorize the Secretary of Agriculture to convey a certain tract of land owned by the United States to the Perkins Chapel Methodist Church, Bowie, Md.;

S. 2003. An act for the relief of Jozice Matana Koulis and Davorko Matana Koulls;

S. 2063. An act for the relief of Guy H. Davant;

S. 2095. An act for the relief of Vaclav Uhlik, Marta Uhlik, Vaclav Uhlik, Jr., and Eva Uhlik;

S. 2165. An act for the relief of Gertrud Mezger;

S. 2229. An act to provide for Government guaranty of private loans to certain air carriers for purchase of modern aircraft and equipment, to foster the development and use of modern transport by such carriers, and for other purposes;

S. 2434. An act to amend the act entitled "An act to provide books for the adult blind";

S. 2460. An act to authorize the transfer of certain housing projects to the city of Decatur, Ill., or to the Decatur Housing Authority;

H. R. 38. An act to amend the Tariff Act of 1930 to provide for the temporary free importation of caseln;

H. R. 110. An act to amend section 372 of title 28, United States Code;

H. R. 277. An act to amend title 17 of the United States Code entitled "Copyrights" to provide for a statute of limitations with respect to civil actions;

H. R. 499. An act to direct the Secretary of the Navy or his designee to convey a 2,477.43-acre tract of land, aviation and sewer easements in Tarrant and Wise Counties, Tex., situated about 20 miles northwest of the City of Fort Worth, Tex., to the State of Texas;

H. R. 896. An act to amend title 10, United States Code, to authorize the Secretary of the Army to furnish heraldic services;

H. R. 1214. An act to authorize the President to award the Medal of Honor to the unknown American who lost his life while serving overseas in the Armed Forces of the United States during the Korean conflict;

H. R. 1318. An act for the relief of Thomas P. Quigley;

H. R. 1324. An act for the relief of Westfeldt Brothers;

H. R. 1591. An act for the relief of the Pacific Customs Brokerage Co., of Detroit, Mich.;

H. R. 1733. An act for the relief of Phillip Cooperman, Aron Shiro, and Samuel Stackman;

H. R. 1937. An act to authorize the construction, maintenance, and operation by the Armory Board of the District of Columbia of a stadium in the District of Columbia, and for other purposes;

H. R. 2136. An act to amend section 124 (c) of title 28 of the United States Code so as to transfer Shelby County from the Beaumont to the Tyler division of the eastern district of Texas;

H. R. 3367. An act to amend section 1867 of title 28 of the United States Code to authorize the use of certified mail in summoning jurors;

H. R. 3877. An act to validate a patent issued to Carl E. Robinson, of Anchor Point, Alaska, for certain land in Alaska, and for other purposes;

H. R. 4144. An act to provide that the commanding general of the militia of the District of Columbia shall hold the rank of brigadier general or major general;

H. R. 4191. An act to amend section 633 of title 25, United States Code, prescribing fees of United States commissioners;

H. R. 4193. An act to amend section 1716 of title 18, United States Code, so as to conform to the act of July 14, 1956 (70 Stat. 538-540);

H. R. 4609. An act to further amend the act entitled "An act to authorize the conveyance of a portion of the United States military reservation at Fort Schuyler, N. Y., to the State of New York for use as a maritime school, and for other purposes," approved September 5, 1950, as amended;

H. R. 4992. An act for the relief of Michael D. Ovens;

H. R. 5061. An act for the relief of Harry V. Shoop, Frederick J. Richardson, Joseph D. Rosenleib, Joseph E. P. McCann, and Junior K. Schoolcraft;

H. R. 5810. An act to provide reimbursement to the tribal council of the Cheyenne River Sioux Reservation in accordance with the act of September 3, 1954;

H. R. 5811. An act to amend subdivision b of section 14—Discharges, when granted—of the Bankruptcy Act, as amended, and subdivision b of section 58—Notices—the Bankruptcy Act, as amended;

H. R. 5920. An act for the relief of Pedro Gonzales;

H. R. 6172. An act for the relief of Thomas F. Milton;

H. R. 6868. An act for the relief of the estate of Agnes Moulton Cannon and for the relief of Clifton L. Cannon, Sr.

H. R. 7654. An act for the relief of Richard M. Taylor and Lydia Taylor;

H. J. Res. 230. Joint resolution to suspend the application of certain Federal laws with respect to personnel employed by the House Committee on Ways and Means in connection with the investigations ordered by H. Res. 104, Eighty-fifth Congress;

H. J. Res. 313. Joint resolution designating the week of November 22-28, 1957, as National Farm-City Week;

H. J. Res. 351. Joint resolution to establish a Lincoln Sesquicentennial Commission; and

H. J. Res. 430. Joint resolution to waive certain provisions of section 212 (a) of the Immigration and Nationality Act in behalf of certain aliens.

TARIFF TREATMENT OF ISTLE OR TAMPICO FIBER

The PRESIDING OFFICER (Mr. YARBOROUGH in the chair). The hour of 1 o'clock having arrived, the Chair lays before the Senate the unfinished business, which will be stated by title.

The LEGISLATIVE CLERK. A bill (H. R. 7096) to amend paragraph 1684 of the Tariff Act of 1930 with respect to istle or Tampico fiber.

Mr. JOHNSON of Texas. Mr. President, I ask unanimous consent that the unfinished business be laid aside, and that the Senate proceed with consideration of the mutual security appropriation bill.

The PRESIDING OFFICER. Without objection, it is so ordered.

MUTUAL SECURITY APPROPRIATIONS, 1958

The Senate resumed the consideration of the bill (H. R. 9302) making appropriations for mutual security for the fiscal year ending June 30, 1958, and for other purposes.

Mr. FULBRIGHT. Mr. President, I shall speak only a few minutes longer.

I wish to state that the developments in the Middle East, particularly in Syria, illustrate the weakness, I believe, of the so-called Eisenhower doctrine. Many of us who opposed that measure in the spring pointed out at the time that the greatest danger in this area of the world

is not from overt aggression by Russia, but is from subversion, such as that which is taking place in Syria. Military preparations are no obstacle to such activities on the part of Russia. I think Russia intends to continue these activities. How is such a challenge to be met? It can be met in a number of ways. I believe one of them is the strengthening of American institutions in that area. I believe that is very important. The appropriation for that purpose is a small one, and its expenditure is not mandatory; if the President and his advisers do not believe it is necessary, or if they believe it would not serve the intended purpose, they will not have to spend the money, and no harm will be done.

But, on the other hand, the subversion of the local governments cannot be met, it seems to me, by military means. Instead, it must be met by economic and by cultural activities; in other words, by inspiring in the minds and hearts of the people who control the countries of the Middle East some confidence in the purposes and determination of the United States and other western countries. They do not have any confidence that we are going to follow through and be of assistance to them.

Much can be said about this program, but I see no necessity to debate it further.

The Senate has already voted on the authorization bill, and I am sure that nothing more than I could say would enlighten the Members of this body on this subject.

I hope the Senate will soon vote on the bill and will dispose of the matter. I shall vote for the bill.

Mr. JAVITS. Mr. President, I wish to speak of two points which I believe are of importance in connection with consideration by the Senate of the pending appropriation bill and also in connection with consideration by the Senate of foreign-aid measures in the days ahead.

Preliminarily, I should like to express my agreement with the Senator from Arkansas [Mr. FULBRIGHT], who has just spoken. I also desire to express my disappointment because of the fact that we have fallen down on the job, in connection with the development loan fund. For the first time it offered hope in terms of a policy on which other nations could depend; and which, I may say, was a loan program for which all my colleagues in the other body, when I was a Member of it, had been contending, and which I heard Senators speak of here, too. It was within our grasp and is now slipping away.

I believe, as does the Senator from Arkansas [Mr. FULBRIGHT], that it would be a mistake for us not to affirm our convictions on this subject.

Furthermore, I very much favor incorporating military aid appropriations in the military budget, where such items belong. We should not beg the question, Mr. President. I hope the Senator from Arkansas, who is in such a good position to wage this fight, will continue it. But I shall be one very active volunteer, along with other Senators.

Mr. President, the two points on foreign aid I wish to make relate to its effect on the United States economy and to the new competition in this field by the Soviet Union. I make the assertion that a fundamental reason—and it has not been sufficiently stressed during this debate, and it needs to be repeated frequently—for the enactment of the mutual aid appropriation bill is that the United States is not alone in this effort. The United States is facing massive competition from the Soviet Union. We would be making a great mistake if we tried to meet that competition case by case. The Soviets could beat us any day in that effort, because they have the initiative, and they could concentrate their efforts in a few particular countries.

Instead, we should meet their competition in our own way, which is the way of steady-going and assured support to certain countries of the world, where the support will do the free world the most good.

The best demonstration of the effectiveness of that approach is the Marshall plan, which did Europe an enormous amount of good, because we gave the countries of Europe—and we managed to do it within our constitutional limitations—assurance that we would give aid for 4 years; and, indeed, we did that. I think it is very important, in answer to those who think we are not selfish enough in our foreign aid, to point out that foreign aid has proven an absolutely indispensable basis for the development of foreign trade and foreign investment. Once the basis is laid development can go on but the basis must be first established. Trade and investment are accomplishing far more in terms of money than the amount of money we are putting into foreign aid, which has so large a resultant beneficial impact upon the American people.

I should like to state, for a few minutes, for the record, some facts and figures on that subject.

In 1956, our foreign trade aggregated \$43 billion, and it may well exceed that amount this year. Our imports were \$19,800,000,000, and our exports were \$23,500,000,000. An enormous bulk of our business was done with Europe.

Let us see what has happened in Europe. In Europe, the per capita gross national product has recently increased at approximately the same rate as has been the case in the United States. The total volume of imports into the Marshall plan area in 1956 was more than 80 percent above the total in 1948, and was 50 percent above the prewar total; and there was a tremendous corresponding increase in intra-European trade.

Mr. President, I make the flat assertion that without the prelude of the Marshall plan and all it meant to free Europe, there would not now be even the consideration of a common European market and of Euratom, which in my opinion is the most important advance toward peace which has occurred overseas in the economic field since World War II.

So it is most important for us to understand that these foreign-aid advances by our country have proven to be an essential basis of foreign trade and foreign investment. Without the roads and ports and other fixed installations which are not suitable for private investment, but which are made possible by our foreign-aid program, there could not be an accelerating volume of private investments overseas. Yet we know that that, too, is one of the most important ways by which to achieve peaceful development.

I am proud to report that the total United States private investment overseas is \$33 billion—1956—with \$22,100,000,000 in subsidiaries and branches of American concerns. That amount increased in the last year by \$2.8 billion. Our direct investments overseas amounted to \$10,900,000,000 in 1956, showing an increase of \$1,100,000,000.

Again, by way of reflection as to what this means to our country, let me point out that these overseas private investments earned approximately 10 percent on the dollar. They earned \$3,438,000,000 in 1956, or an increase of approximately \$400 million over the \$3,069,000,000 earned in 1955.

Mr. President, just a final word on this subject of trade and investment. We had a little recession in the United States in 1954. I believe it very important to note, from a bulletin issued by the International Chamber of Commerce on May 1, 1957, the following statement:

The most notable case in which our foreign trade played an important part in bringing about a business recovery occurred in 1954. While the gross national product declined from 1953 to 1954 by 1 percent, and imports fell by 5 percent, exports rose by 2 percent.

Mr. President, let those who oppose foreign aid not forget that we may see the day, before too many years have passed, when foreign trade and foreign investment will be the mainstay of the American economy and will save the United States and the entire world from some very deep depression. That is point No. 1.

American trade and American overseas private investment are flourishing. When we compare the figures, we see that they completely overshadow, in terms of proportion, the amounts we are spending on foreign aid. In this connection we are talking about foreign trade aggregating \$43 billion, whereas the amount of the pending bill is \$3 billion. We are talking about \$33 billion in overseas private investments, whereas the amount of the pending appropriation bill is \$3 billion.

Mr. President, one other matter which I believe needs to be emphasized in connection with this debate is the competition from the Soviet Union. Since 1955 the Soviet Union has embarked on a brandnew policy of foreign aid. Its commitments in economic assistance essentially, and technical assistance, with some military and to nations outside the Soviet bloc now aggregate \$1,600,000,000. This is aside from intra-

the Soviet bloc, and that, too, must be considered foreign aid to other nations by the Soviet Union. Such aid now is running at an estimated rate of about \$1 billion plus a year.

So that we may keep the whole matter in focus, I should like to refer to those who think the Soviet Union cannot carry on this program of very active competition because of the pressure on the Soviet economy. In addition to India and Burma, Russia is competing with us in Turkey and Pakistan, two of our foremost allies. Let us keep that clearly in mind.

As to the capacity of Russia to carry on such a program for a considerable period of time, I should like to quote from a 1956 study entitled, "Ruble Diplomacy, Challenge to American Foreign Aid," written by Klaus E. Knorr, and published by the Center of International Studies, Princeton University.

From page 30 of that memorandum I read the following:

The total amount so far offered by the Soviet Union alone comes to less than 1 percent of a national income which, at a stupendous rate of from 6 to 9 percent a year, is growing twice as fast as that of the United States. At present, with Soviet income estimated to run at the equivalent of about \$150 billion a year, annual growth amounts to over \$10 billion. By allocating a small fraction of this increment, the Soviet leaders could supply a billion dollars a year for aid without special difficulty.

When the bill before us is broken down and the technical and economic assistance portions extracted from it, it will be found that on that basis what we propose is just about even with what the Soviet Union can do. To which must be added the capability of the Soviet Union to concentrate on a very few areas, whereas we feel, and rightly so, that we have to devote our program to about 40 countries.

The study goes on to say:

The bloc's capacity to supply technicians and educators for technical assistants compares favorably with that of the United States. In 1954, the Soviet output of graduates in pure science was only half of the American. But in the applied sciences, the comparative figures are 22,500 for the United States and 60,000 for the U. S. S. R. and the annual output of those receiving a research degree after 3 years of postgraduate work was 3,500 in the United States and 4,500 in Soviet Russia.

I do not think any of us doubt that statement, because that subject has been pretty much discussed in terms of the demands upon United States higher education.

Mr. President, I ask unanimous consent to have printed in the RECORD as a part of my remarks two tables, both obtained from the European Division of the Commerce Department, one headed "Foreign Aid and Credits of the U. S. S. R. to Underdeveloped Countries," and the other headed "Soviet Credits to Bloc Countries."

There being no objection, the tables were ordered to be printed in the RECORD, as follows:

Foreign aid and credits of the U. S. S. R. to underdeveloped countries

Country and project	Date of agreement	Amount (millions)	Interest rate	Duration of credit	Brief description of project
1. Afghanistan:					
(a) Grain elevators, flour-milling and baking plants.	Jan. 27, 1954	\$3.5	Percent 3.0	5 years	Credit to cover Soviet equipment and services of technicians.
(b) Oil storage tanks.	July 1954	1.0			Do.
(c) Asphalt plants and paving projects.	Oct. 5, 1954	2.1			Do.
(d) Economic development loan.	Jan. 28, 1956	100.0	2.0	30 years	Credit to finance 14 industry and transport projects.
(e) Arirus credit.	December 1955	25.0		8 years	Reported by Prime Minister Daud in his address of Aug. 25, 1956.
2. India:					
(a) Steel mill project ¹ .	Feb. 2, 1955	115.0	2.5	12 years	Credit to pay for Soviet blueprint, equipment, and technicians used in the construction of the steel plant (1,000,000 tons).
(b) Industrial diamond mining project.	June 19, 1955				Soviet machinery to be supplied on credit to private owners.
(c) Plant for files and rasps.	Oct. 24, 1955				Contract with private firm for Soviet equipment.
(d) Commodity Credit.	Nov. 15, 1956	126.0	2.5	12 years	To cover purchase of Soviet heavy industrial machinery.
3. Finland:					
(a) Gold (or free-exchange).	Feb. 7, 1954	10.0	2.5	10 years	To bolster foreign exchange resources of Finland.
(b) Gold (or free exchange loans).	Jan. 25, 1955	10.0	2.5	do	Do.
4. Yugoslavia:					
(a) Industrial development credit.	Jan. 13, 1956	110.0	2.0	do	First installment: Soviet equipment (on credit) for 2 fertilizer plants, 1 power station.
(b) Raw materials credit.	Feb. 2, 1956	54.0	2.0	do	Credit to cover Soviet shipments of raw materials during 1956-58.
(c) Gold (or free exchange) loan.	do	30.0	2.0	do	For use during 1956-58 to be repaid in 10 years, beginning Jan. 1, 1959.
(d) Atomic energy reactor.	Jan. 28, 1956				For coal, shipbuilding, oil and gas, reclamation, agriculture.
(e) Industrial development ² .	Aug. 3, 1956	40.0	2.0	Long term	Project to include aluminum plants, hydroelectric power stations, bauxite mines.
(f) Aluminum combine ³ (50,000-100,000 tons)	do	175.0	2.0	do	
5. Burma:					
(a) Technological Institute	Dec. 6, 1955				Soviet assistance in construction to be paid in rice.
(b) Hospital, theater, sports stadium.	Apr. 1, 1956				Do.
(c) Industrial development credit.	Dec. 6, 1955				Announced in general terms; agreement still to come.
(d) Construction project.	Jan. 27, 1957				U. S. S. R. to build several public establishments as gift in exchange for equal gifts in rice and other products. To begin in 1957 and complete in 1963.
6. Egypt: (a) Laboratory nuclear physics.	Febr. 10, 1956				Covers Soviet equipment and exchange of technical personnel.
7. Indonesia (industrial development credit).	Sept. 15, 1956	100.0	2.5	12 years	To cover several unspecified industrial projects. Indonesia given 8 years to spend credit on specific projects.
Turkey	July 31, 1957	(10.0)			Agreement with banking group to construct a glass factory.
Do	do	(10.0)			Agreement with bank for construction of caustic soda plant.

¹ Indian Government accepted Soviet project study on Mar. 8, 1956.² Further utilization January 1956 industrial development credit.

Source: U. S. Department of Commerce.

³ In conjunction with GDR; this credit covers 1st installment of deliveries to be made in 2 stages.

Soviet credits to bloc countries

Country	Date of agreement	Amount (millions)	Duration	Brief description
I. Pre-February 1956:				
*Poland	Mar. 5, 1947	\$28.0		Short-term loan in gold and convertible currency.
Do	Jan. 26, 1948	450.0	1948-50	Credit to cover Soviet equipment.
Czechoslovakia	December 1948	28.0		Short-term credit in gold and free exchange.
North Korea	March 1949	40.0	1949-51	Short-term credit for Soviet raw materials.
Albania	April 1949			Unspecified credit for Soviet equipment.
Poland	June 1949	100.0	1953-58	Credit to cover Soviet industrial equipment.
China	Feb. 14, 1950	300.0	1950-54	Credit to cover Soviet industrial equipment (interest rate, 1 percent).
East Germany	July 1953	121.0	1953-54	Short-term credit for excess Soviet exports.
North Korea	September 1953	250.0		Only known major grant; for postwar reconstruction.
Outer Mongolia	1945-55	225.0		Total credits for industrial development.
China	Oct. 12, 1954	130.0		Long-term credit for industrial equipment.
Vietnam		100.0		Credit for economic development.
Bloc, total ²	1945-55	5,250.0		Total value of intrabloc long-term credits, since end of World War II.
II. Post-1956 (February):				
Bulgaria	Feb. 3, 1956	92.5	10 years	Credit for agricultural and industrial equipment from U. S. S. R.
China	Apr. 7, 1956	625.0		Credit to equip 55 Chinese plants.
East Germany	July 1956	350.0		Reduced GDR share in occupation costs from \$700 million to \$350 million. Increased price paid for uranium.
Poland	Sept. 24, 1956	25.0	1957-60	Partly in free exchange; partly in raw materials.
Hungary	Oct. 4, 1956	25.0	1960-65	Free exchange, 40 percent; raw materials, 60 percent.
Poland, pt. I	Nov. 18, 1956	175.0	1963-65	Credit for industrial equipment.
Poland, pt. II	do	100.0	1961-62	Credit for wheat (1.4 million tons). Also agreed to cancel Polish debt (\$525 millions) in payment for full price on coal 1946-53.
Rumania	Dec. 3, 1956	67.5	10 years	Credit to cover Soviet machinery and grain. Also: canceled Rumanian debt for Soviet share in "joint" companies (\$700 millions); 4-year moratorium on other debts.
East Germany	Jan. 7, 1957	85.0		Loan in free exchange to buy in world market.
East Germany	do	20.0		Credit for Soviet equipment.
Bulgaria	Jan. 12, 1957	50.0	1957-59	Credit to pay for Soviet wheat.
Czechoslovakia	Jan. 29, 1957			Credit to cover expansion of uranium mines.
Hungary, I	Mar. 28, 1957	³ 187.5	1961-70	Economic aid and payment assistance. Also agreed (1) to cancel debt in joint companies (\$90 million) and (2) defer repayment on earlier loan (\$37.5 million).
Hungary, II	do	31.25	Same	
Albania	Apr. 17, 1957	7.75		Credit to cover excess exports. Also canceled 2 debts: (1) For 14 industrial plants (\$87 million), and (2) for other goods (\$18.5 million).
Outer Mongolia	May 15, 1957	50.0		Credit for future Soviet deliveries of equipment, material, and service.
Bloc, total	1956-57	1,750.0		
Bloc, total	Postwar period	7,000.0		Source: Pravda, July 14, 1957.

¹ Including \$34 million in the form of gold and free exchange.² Cited by Khrushchev (Pravda, Feb. 15, 1956); probably includes satellite debts to the U. S. S. R. incurred as a result of the liquidation of the "joint companies" in late 1954 (figure for China, \$1.4 billion).³ Includes \$50 million in free exchange.

Source: European Division, Department of Commerce, Aug. 26, 1957.

Mr. JAVITS. Also, to show the competition which we are meeting, I also ask unanimous consent to have printed an article entitled "The Soviet Venture in Foreign Aid," which was published in the Journal of the American Association of University Women for January 1957, written by Leon M. Herman, Chief of the U. S. S. R. Division of the Commerce Department.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

THE SOVIET VENTURE IN FOREIGN AID

(By Leon M. Herman¹)

The current excursion of the U. S. S. R. into economic aid derives its chief dramatic impact from the novelty, rather than the magnitude, of the operation. Prior to its mid-1953 shift, Soviet foreign economic policy was far too intensely involved in the process of building an impregnable fortress around the U. S. S. R. to show any constructive interest in the economic ills of the less industrialized nations. At the borders of its own orbit, its main economic effort, until quite recently, has been directed toward assembling and erecting the barriers it has considered necessary for the consolidation of its new economic empire.

This empire was proudly hailed by Stalin in late 1952 as a parallel world market, immune to the influences of the non-Soviet world economy and strong enough to advance the doom of the industrial nations of the West. Within as well as outside the orbit, postwar Soviet economic foreign policy was marked by a vigorous pursuit of the rewards, rather than the responsibilities, of a great power in its relations with its weaker neighbors.

During the first 8 years of the postwar period, the Soviet Government was variously engaged, particularly in Eastern Europe, in gathering the fruits of its military victory. In this region, where the main objectives of the postwar policy were pursued with least restraint, the chief concern was to maintain a mighty flow of goods from the shattered economies of the satellite nations into the channels of Soviet domestic reconstruction. This inflow was facilitated by an ingenious mechanism of legal arrangements, including massive deliveries in the form of reparations, joint companies to operate promising satellite industries, and a vast network of Soviet properties abroad.

So long as it remained absorbed in the systematic acquisition of unrequited imports, the Soviet Government displayed little sympathy with the idea of economic assistance to weaker nations. Yet the fact that the western nations were earnestly seeking ways to extend effective economic aid to less developed countries was not unnoticed. Far from perceiving any merit in these efforts, however, the leadership feigned to be gravely concerned over their effect on recipient countries. It repeatedly branded economic aid a threat to domestic industries, standards of living, and the independence of weaker nations.

This rigidly held position was wholly abandoned after the death of Stalin. As a first step, the Soviet Government moved quickly to scrap the machinery of exploitation he had erected in Eastern Europe. Outstanding reparations deliveries from East Germany were canceled in July 1953, following the riots in East Berlin. The joint companies, including four new enterprises established in China during 1950, were hurriedly dissolved during September–November 1954. Finally the network of properties acquired in Austria were ordered to be re-

turned under the terms of the long-delayed treaty of peace, signed in May 1955.

MORE FLEXIBLE BEHAVIOR

The scrapping of the special apparatus in Eastern Europe cleared the way for more flexible Soviet behavior. In July 1953, the Soviet Government made its first annual contribution, 4 million rubles, to the United Nations Fund for Technical Assistance, which had been in existence since November 1949. In August 1953, a new type of trade agreement was concluded with the Argentine Government, amidst great publicity.

In another major commercial arrangement, with India in December 1953, the U. S. S. R. further committed itself to ship industrial equipment of the kind never before exported by the U. S. S. R. to non-Communist countries. The ambitious commercial arrangement was accompanied by an offer to extend technical assistance.

STALIN FORMULA SCRAPPED

The removal of the massive figure of Stalin in March 1953 opened a new perspective in the world outlook of his successors. The reaction came in two stages. The new line of action began almost immediately after Stalin's death, while the theory underlying the new practice was not revealed until the Twentieth Party Congress, in February 1956. Then it clearly emerged that in the sphere of foreign policy Stalin's successors fully shared his basic determination to undermine the power position of the Western nations. Stalin's analysis of world conditions, however, was adjudged too doctrinaire, too strongly influenced by Marxist optimism.

In Stalin's view, the future of the principal Western nations was thoroughly weakened by mutual economic rivalry on the one hand and by a shrunken market for their products on the other. The deterioration of their position was so serious, in his opinion, that a certain amount of promotion of this rivalry on the part of the Soviet Union, coupled with increased intra-bloc integration, would bring about irretrievable economic decline in the West and, eventually, an internecine war over markets.

Stalin's successors reject, above all, his argument that the economies of the western nations have been fatally damaged and are doomed to decline. This sanguine premise they now consider inadequate for the understanding of the complex phenomenon of modern capitalism.

The present rulers of Russia have based their latest line of action on the premise that new tensions would have to be injected into the non-Communist world in the years ahead. They see their best opportunities for such additional tension in the complex area of relations between the industrialized countries of the West and the less developed regions around the world.

Before the Soviet Union itself could play an effective role in this theater of operations, it had to achieve some status in the less developed regions as a mature, surplus-producing industrial power. As a matter of record, however, the Soviet Union had deliberately circumscribed its contact with the world economy. Its trade activity outside the industrialized West was small and sporadic. Commercially, in effect, the U. S. S. R. had treated the less developed regions of the world in a spirit usually ascribed by Soviet writers to the imperialists, namely as a raw materials appendage to the industrialized West.

THE ECONOMIC SETTING

But with the steady increase in industrial production in the U. S. S. R., regular and direct contact with overseas sources of raw materials became imperative. The Soviet economic planning system had not produced the necessary operating balance between production and consumption even in domestically available industrial materials.

Sizable periodic shortfalls in raw materials require a ready access to imports.

The introduction of the same type of state planning into the satellite nations had increased considerably the need, both actual and potential, for imported raw materials. From the standpoint of normal commodity exchange, too, the steady expansion of capacity for manufacturing by the U. S. S. R. and the satellites had increased the general pool from which goods could be drawn for export to the under-industrialized countries.

On economic grounds alone, the existence of a growing annual pool of industrial goods within the Soviet Union has not, by itself, produced a significant outflow of industrial exports. Internal need and demand from the other bloc countries easily consume the bulk of domestic machinery production. In Soviet practice, goods assigned for export do not necessarily stem from a net surplus. They are more often than not diversions from low-ranking domestic consumers. A larger scale of annual production, nevertheless, does provide a base for larger scale diversions to high-priority exports.

Against this setting of forced surpluses, the economic aid approach has a distinct advantage over normal trade. It commits the Soviet Government not so much to a large immediate export program as to a series of deferred annual shipments to the recipient countries, shipments from the industrial sector of the economy which is, of course, being expanded at a preferred rate.

SOVIET RESOURCES FOR AID

The Soviet economy produces machinery and other industrial products on a substantial scale and in variety. The domestic machine-building industry has for some time been the principal dynamic force pushing industrialization forward.

Were domestic economic considerations alone to prevail, this annual output could easily be absorbed at home. For reasons of foreign policy, however, a segment of the domestic volume of machinery production is now judiciously apportioned for export, first among the countries of the Soviet orbit and, for the past year or so, among a number of countries in the non-Soviet community. All the same, the U. S. S. R. continues to depend on the world market for additional imports of machinery. Its own export potential is still made up largely of raw materials, agricultural as well as industrial. What is more, imports of machinery from abroad continue to be acquired at an increasing rate. Exports in this category of goods are quite small.

The current attempt to enter into many markets at once as a potential exporter comes as a result of a deliberate decision rather than a natural development of economic relations outside the bloc. Many of the countries now high in the aid program, such as Burma, Indonesia, India, and Yugoslavia, have had little or virtually no trade relations with the U. S. S. R. previously, and certainly no experience in importing equipment from that source.

EXPERIMENTAL EXPORTS

The recent undertakings in exporting machinery are essentially experimental, in regard to both available quantities within the Soviet economy and acceptability of the Soviet product. Therefore a program of economic aid which would include the supply of equipment over a period of time recommends itself to the U. S. S. R. in preference to a straightforward, unadvertised expansion of commercial exports of machinery.

In the first place, it could be rather difficult for Soviet economic authorities to muster sizable quantities of equipment for immediate export. Within the economic aid setting, however, the government finds it less burdensome to set aside a modest part of its future production for deserving non-Communist countries. Given its present supply position, it is obviously more practical for

¹ Mr. Herman is Chief of the U. S. S. R. Section of the European Division, U. S. Department of Commerce.

the U. S. S. R. to delay, to string out, its export commitments involving industrial equipment. Second, deliveries made within the framework of a friendly arrangement for aid are less likely to be subjected to the rigorous test of quality and modernity applied to competitive commercial imports.

The Soviet entry into the field of economic aid has been marked by a characteristic approach, that of too much too soon. A whole host of underprivileged home industries are still muddling along as best they can with antiquated equipment. Even so modest an undertaking as building grain elevators for Afghanistan did not arise from a surplus position. It came before some of Russia's own Asian provinces saw their first grain elevator. Similarly technological institutes of the type promised to India and Burma are still admittedly scarce in Russia's industrial centers east of the Ural Mountains.

Even more critical at the moment is the fact that the Soviet bid for prestige abroad has added to the economic burdens of the satellite nations. The more industrialized members of the Soviet captive alliance have been directly pressed into the Soviet campaign to gain an economic foothold in less developed areas. Nor have the largely agricultural satellites been spared. There can be no doubt that their economic distress could have been alleviated by a generous Soviet contribution to intrabloc economic aid.

THE CONTENT OF THE SOVIET APPEAL

In proffering economic aid, Soviet spokesmen have tried to avoid the implication that they have been won over to the positive approach to the needs of less developed countries which the Western powers have followed for nearly a decade. They are at great pains to claim a unique solution to an entirely new problem, based on motives of hitherto unknown purity. They present an image of themselves as historic bearers of the gift of industrialization to all duly qualified backward regions and nations. As a matter of historical record, the Soviet argument runs, the U. S. S. R. was itself a backward country only a few decades ago. Rapid industrialization is, so to speak, in its blood.

In practice, the Soviet Government has geared its offers to exploitation of some of the weaknesses of existing western aid programs. This it has tried to accomplish, for example, by undercutting the interest rates at which industrialization credits are normally extended by western governments and international banking institutions. Repayment in the form of local export goods is publicly invited. In addition, the Soviet Union disclaims any interest in deriving future economic gain, beyond nominal interest earnings, from installations it helps to build. Soviet aid is also tailored to suit the sensibilities of receiving nations, taking the form of loans rather than charity.

In the typical Soviet arrangement, provision is made to help the recipient countries to dispose of domestic surpluses, usually agricultural and often difficult to market. The Soviet Government also focuses its program on the support of projects that are high on the priority list of the local governments. It is, at the same time, notably more interested in strengthening the position of the government than in raising the level of welfare in the recipient country. Wherever possible the leaders direct Soviet economic contribution to expanding government ownership as a counterweight to private enterprise.

Above all, however, the lesson which the leaders of the U. S. S. R. are interested in driving home to less developed countries is that Soviet aid can reduce drastically the need for close economic intercourse with western nations. As Moscow would like others to see it, Soviet aid is a contribution to the national independence of former colonial peoples.

Since the only bonds now linking most of the less developed areas with the West are economic, the Soviet drive is designed to loosen these ties. To accomplish this, the government must establish its qualifications as a mature industrial partner capable of displacing the West. Regardless of its real capacities, a good showing must be made. Nor is it entirely a matter of self-recommendation to overseas countries. In a very real way, the new Soviet activity in the less developed regions is intended to deliver an indirect blow in its longstanding economic dispute with the West.

By playing the role, however unnatural, of a surplus producer of equipment, the Soviet Union hopes to stimulate doubt among western businessmen regarding strategic trade controls, doubt as to whether such controls could effectively deter the industrial expansion of a country that has reached a stage of export surpluses in equipment and technical personnel. In short, Soviet strategists are watching for the effect of their current aid program not so much upon the economies of the importing countries as upon the headlines in the commercial press of Western Europe, Canada, Japan, and the United States.

Soviet economic aid to independent countries has been essentially a gambit, a sacrifice move running counter to basic policy drive—the drive to amass overwhelming economic strength within its own orbit while promoting and exploiting weakness and distress in countries that have not accepted the Communist formula. Soviet economic aid is a negative operation designed to widen existing breaches among nations and fan the embers of national discontent. As such, the entire present effort could be easily upset by a shift in official risk calculation.

An enduring effort to assist less developed nations has to be founded upon more constructive expectations. Existing United States and western programs of foreign aid hold out a real promise of lasting good results. The West's economic aid is guided by the practical, tested principle that industrially advanced neighbors make the most stable economic partners and that the prosperity of the more developed nations is rendered more secure by the raising of standards of well-being in all parts of the world.

Mr. JAVITS. Finally, Mr. President, I wish to read the conclusion of the Senate's Special Committee To Study the Foreign Aid Program, which made a contract for project No. 3 with the Council for Economic and Industry Research, Inc., the project being foreign-assistance activities of the Communist bloc, and their implications for the United States.

At page 54 the concluding comments are:

The Soviet economic offensive is the newest development to face United States foreign-assistance policy. The future course of this economic offensive is, of course, a matter of uncertainty. Its future, whatever that turns out to be, is a matter to be decided by Soviet international political policy. The bloc offensive can grow. United States foreign policy must take heavy account of present Communist aid activity and be prepared for future growth in this direction. Being ready costs little if the threat falls. But not being ready would cost much if the threat grows.

In summary, Mr. President, I am for the foreign-aid program. I think the appropriation is too little. I hope very much it is not too late. We are fighting this battle every day. As the Senator from Wisconsin has said, it will go on into the indefinite future. But I deeply feel we must learn our lesson from Rus-

sian competition and we must learn our lesson from the indisputable proof of the great impact on the economy of the United States, as expressed in terms of foreign trade and overseas private investment. Our foreign trade is 10 percent of our gross national product, a very enormous factor, which could make for depression or prosperity in itself.

In my opinion, we should have given the President what he asked for. We should have provided more for the economic development loan fund, for I think that was the soundest kind of investment we could have made.

However, I favor this appropriation bill as the best that can be worked out in a practical world. I think we have to consider, in any discussion of foreign aid, the dependence of the American economy on our foreign trade, and the growing and real and vital competition in economic aid and technical assistance to Soviet bloc countries and other countries by the Soviet Union itself.

Mr. President, this may be a quiet debate, with relatively few Senators present in the Chamber, and this bill may be accepted as one that will pass, but it is very portentous to peace and war, the well being and, indeed, the survival of our people. If the lessons to which I have referred are not read correctly by the Senate, we shall be making disastrous mistakes, and the survival of the people and the freedom of the people of the United States and of the free world may indeed be put in jeopardy. I hope I shall never be found derelict in having failed to lift my voice to help read those signs aright on the international scene.

Mr. NEUBERGER. Mr. President, an editorial in the Sunday Oregonian, of Portland, Oreg., of August 18, 1957, expresses my attitude that drastic cuts in foreign aid and mutual security are risking the solidarity of the free world and the future of the United States.

I am supporting President Eisenhower on this issue, not because of any partisan affinity but because I happen to believe the President is essentially right. It is easy to attack foreign aid, difficult to defend such a program in the political arena. Yet, if our foreign aid were drastically curtailed, I fear we would be gravely set back and retarded in the cold war against the Soviet Union. Furthermore, I think that foreign aid helps to keep in uniform such staunch allies as Turkey, South Korea, Great Britain and other nations. If these countries were unable to defend vital areas of the globe, we either would have to surrender those realms to the aggressive Soviet orbit or else have young Americans stationed there in great numbers, risking their lives and foresaking their homes and firesides. That is something for us to think about when we hear rambunctious and sweeping political orations against foreign aid.

I ask unanimous consent that the editorial from the Oregonian of August 18, entitled "Politics Before Security," appear in the RECORD for the information of my colleagues, who soon will vote on this vital question.

There being no objection, the editorial was ordered to be printed in the RECORD, as follows:

POLITICS BEFORE SECURITY

Those who profess to be experts on the mutual-security program—that 10-year-old plan for allied cooperation in strengthening the military defenses of the non-Communist world in which the United States has spent \$17 billion and our allies \$107 billion—are more or less agreed that it cannot be terminated. They are not all agreed on the amount of United States participation needed at this time.

The vote of Members of the House of Representatives in slashing \$862 million from the budget of nearly \$3,400,000,000 previously authorized by Congress is not, however, a reflection of the judgment of experts.

The vote represented politicking in the highest degree. All of this session, the House has been shouting "economy," and sending up smoke signals to the voters as if it were getting economy. It made a paper slash of the domestic budget, while cagily providing for the more rapid expenditure of previously appropriated funds. The result will be a greater actual expenditure in fiscal 1958 than the budget figure. This is justified on the basis that carryover funds should be reduced. But don't ever think the Government is spending less. It is spending more.

The foreign-aid budget, more properly called mutual security budget, was a sitting duck for the political economizers. Not many voters really understand the advantage to the United States in helping to strengthen the allied forces that are under the guns of the Communist empire. It is much less costly to help train and outfit these forces than it is to maintain comparable forces of Americans either abroad or in this country. The President is right in calling it "false economy" to undermine allied military strength before the first tottering steps toward disarmament have really accomplished anything.

In our opinion, the 83 Republicans and 181 Democrats who joined in crippling what was left of the foreign aid authorization are taking an unconscionable risk with the security of the United States, in the face of repeated and solemn warnings by President Eisenhower, backed by the real experts in world affairs.

Congress previously had reduced the administration's minimum foreign aid budget by \$500,000,000, in the authorization bill. The additional cut by the House of \$862,000,000 adds up to a total reduction of \$1,362,000,000. This leaves only \$2,500,000 in new funds.

President Eisenhower—supported by ex-President Truman—specifically pleaded for the full \$500,000,000 provided in the authorization bill for a development fund. The President said this would allow the United States to transform our economic help largely from the grant basis to the loan basis, something which every committee that has studied this problem recommends strongly. The House voted, 149 to 101, to slash this fund to \$300,000,000.

If the Senate goes along with the House in what the President calls this false economy. Mr. Eisenhower must face the decision of drastically reducing the foreign assistance program or calling Congress back into special session. In the present mood of Congress, the latter might not accomplish anything. But we do not think the President will hesitate to do this if necessary. He would be more inclined to do so if he felt the people of America actually understand the need for mutual security and the risks of economizing in that field.

ATTACK UPON SENATOR NEUBERGER FOR HIS OPPOSITION TO BRUCES EDDY DAM PROJECT ON NORTH FORK OF CLEARWATER RIVER

Mr. NEUBERGER. Mr. President, on August 13, 1957, the senior Senator from Idaho [Mr. DWORSHAK] assailed me as a saboteur and as a hypocrite, because I was opposed to a proposed power and flood-control project in his State which, in my opinion, would damage wildlife, fisheries, and scenic outdoor values.

I did not reply in kind to these denunciations, and I do not intend to do so now, because I refuse to indulge in political abuse or character assassination. Such tactics only hurt those who rely upon them, and not the intended victims.

On August 26, yesterday, the Senator from Idaho continued his attack by including in the pages of the CONGRESSIONAL RECORD an editorial from an Idaho newspaper which, in essence, repeated some of those charges against me. I was presiding over the Senate at the time of the insertion and, in effect, granted the unanimous consent which placed the editorial in the RECORD. I would not have objected had I been on the floor, because if the Senator from Idaho wishes to use the pages of the RECORD to attack me further personally, I rather imagine he will net small gains from that, if any.

One sentence from the editorial, which was printed in the Boise, Idaho, Statesman of August 20, charged that I was "in collusion with hypocritical groups" in attempting to block authorization of the Bruces Eddy Dam on the North Fork of the Clearwater River. This description in the Idaho newspaper of organizations which have opposed construction of Bruces Eddy Dam reflects the statement made by the senior Senator from Idaho [Mr. DWORSHAK] on August 13 when he said:

Mr. President, the hypocritical groups which contend that efforts are being made to disregard fish and wildlife aspects of the project deliberately misrepresent and distort the facts.

These are the groups, Mr. President, which have been opposing construction of the Bruces Eddy project: Idaho Wildlife Federation, Idaho Outdoor Association, Oregon division of the Izaak Walton League of America, the Izaak Walton League of America, the National Wildlife Federation, the Wilderness Society, the Wildlife Management Institute, the National Parks Association, the Sierra Club, the National Hikers and Campers Association, the National Audubon Society, Citizens Committee on Natural Resources, Federation of Western Outdoor Clubs, Sport Fishing Institute, Outdoor Writers Association of America, General Federation of Women's Clubs, Commercial Fishermen's Association of Sandpoint, Idaho; Lewis-Clark Wildlife Club of Lewiston, Idaho; St. Joe Valley Fish

and Game Association of St. Maries, Idaho; Palouse River Wildlife Federation of Potlatch, Idaho; White Pine Sportsman Association of Troy, Idaho.

Inasmuch as the Senator from Idaho has been contending—through his own voice and via his editorial outlets—that I am in alliance with hypocritical groups, I urge that he inform the Senate if he regards the above-listed organizations in that category.

When a man makes strong charges, he should be willing to back them up or apologize for them. According to the Senator from Idaho, I am a "saboteur" and a "hypocrite." I also am in "collusion with hypocritical groups." Are the organizations which I have listed these "hypocritical groups"? They seem like very fine and reputable organizations to me. I belong to some of them. I wish I could belong to more. They are groups which have worked for a better America and for conservation of our natural resources. I believe the distinguished senior Senator from Idaho, this author of abusive political attacks, should explain to the Senate if these are the "hypocritical groups" with which the junior Senator from Oregon is allied in opposing the Bruces Eddy Dam project.

In conclusion, Mr. President, I should like to add that members and officials of the organizations opposed to blocking the Clearwater evidently have not felt that hypocrisy was involved in the action taken to bar its authorization by Congress. I ask unanimous consent to have printed in the RECORD a letter to me from the National Wildlife Federation, dated August 16, 1957; and letters to me and to the chairman of the Senate Public Works Committee from Mrs. Marion T. Weatherford, chairman of the conservation of natural resources department of the General Federation of Women's Clubs, dated February 18, 1957. I have high regard for the leadership which Mrs. Weatherford and her organization have contributed to the preservation of our Nation's outdoor and wildlife assets. Also, I ask unanimous consent to have printed in the RECORD with my remarks letters which were sent from Idaho citizens and groups to members of the Senate Public Works Committee and which were made a part of the subcommittee hearing record during consideration of S. 497, which included the Bruces Eddy Dam authorization.

There being no objection, the letters were ordered to be printed in the RECORD, as follows:

NATIONAL WILDLIFE FEDERATION,
Takoma Park, Washington, D. C.,
August 16, 1957.

Hon. RICHARD L. NEUBERGER,
Senate Office Building,
Washington, D. C.

DEAR SENATOR NEUBERGER: Now that the immediate threat of premature authorization or appropriation for Bruces Eddy Dam on the Clearwater River in Idaho has been

reference to the book will renew some interest, and possibly increase sales of the book.

Mr. NEUBERGER. If such a result is achieved, it will be not only to the benefit of the Senator from Tennessee, but also to the benefit of good government in our entire country.

Of course, my friendship with my senior colleague from Oregon goes back to an even earlier period, when he was one of my teachers at the University of Oregon.

I am grateful that two men whom I esteem so highly as my own senior colleague and the senior Senator from Tennessee have spoken about me as they have.

I do not know whether the events which my colleague predicted will transpire 3 years from now, which is a long way off in terms of human existence, will ever occur, but he was very kind to say what he did. These matters, however, are uncertain.

Mr. KEFAUVER. Will the Senator yield, Mr. President, for one further point?

Mr. NEUBERGER. I am happy to yield.

Mr. KEFAUVER. The senior Senator from Oregon [Mr. MORSE] and I did have justifiably complimentary words to say as to the character, loyalty, and public service of the junior Senator from Oregon [Mr. NEUBERGER], but there is one point neither of us emphasized, which is of great importance, and which would make up for any deficiency the junior Senator from Oregon might have. That is the fact that his very wonderful wife, Mrs. Neuberger—Maurine, as we know her—who is a legislator in her own right, is one of the most outstanding and capable women I know. Whenever the junior Senator from Oregon may be tempted to get on the wrong side of some issue I know she sets him straight and keeps him on the right path.

Another very important thing concerning Mrs. Neuberger is that her parents came from Tennessee, which adds to her luster.

Mr. NEUBERGER. I thank the Senator from Tennessee not only for the deservedly kind things he has said about Mrs. Neuberger, but for the true words he has spoken about her father. Her father, Dr. Thomas Brown, who was a pioneer physician in the rural countryside of the State of Oregon, came to the Northwest from Tennessee. He was born in Tennessee. He was educated in Tennessee. If I am not mistaken in my memory, he received his medical degree from Vanderbilt University. He went to grade and elementary schools in the great State which is represented by the senior Senator from Tennessee [Mr. KEFAUVER] and by the able junior Senator from Tennessee [Mr. GORE] who sits next to me on the Senate floor.

I should like to add, in conclusion, Mr. President, with reference to the very generous, I should say overly generous, comments of my colleagues today, that I regret the Senator from Idaho in his disagreement with me over the Bruses Eddy project felt it was necessary to refer to me by names which might be characterized as abusive.

I regret, further, that he felt it was to his advantage to insert in the RECORD an editorial from an Idaho newspaper in Boise which likewise contained very unflattering personal references to me. I certainly would not reciprocate in kind concerning the senior Senator from Idaho.

Only the future can tell whether he is right in advocating this project or whether I am right in opposing it. I remember reading a long time ago a short story entitled, "The Other Fellow May Be Right," written by a great writer. We deal in this Chamber with many delicate issues, to which there are two sides—indeed, many sides. I think each one of us is equally sincere. Each one of us is equally dedicated to the point of view which he advocates. My only regret is that at times it seems necessary to certain Members of the Senate to indulge in personal abuse and denunciation.

I deplore the fact that the senior Senator from Idaho placed in the RECORD an editorial which referred to so-called hypocritical groups opposing the Bruses Eddy project. As I have demonstrated on the floor of the Senate, the groups opposing the Bruses Eddy project include such great and esteemed organizations in our country as the General Federation of Women's Clubs, the National Wildlife Federation, the National Audubon Society, the Izaak Walton League of America, the Wildlife Management Institute and many other important groups which have contributed so vastly to good government and to the preservation of natural resources in our country.

I feel certain and hopeful that the Senator from Idaho did not intend to refer to them as "hypocritical groups" when he included this editorial in the RECORD.

MUTUAL SECURITY APPROPRIATIONS, 1958

The Senate resumed the consideration of the bill (H. R. 9302) making appropriations for mutual security for the fiscal year ending June 30, 1958, and for other purposes.

The PRESIDING OFFICER. The clerk will state the committee amendment excepted from the unanimous-consent agreement.

The LEGISLATIVE CLERK. On page 2, line 6, after the word "only," it is proposed to strike out "\$1,250,000,000" and insert "\$1,475,000,000, to remain available until expended."

Mr. ELLENDER. Mr. President, a parliamentary inquiry.

The PRESIDING OFFICER. The Senator will state it.

Mr. ELLENDER. As I understand, the question before the Senate at the moment is the first committee amendment on page 2 of the bill.

The PRESIDING OFFICER. The second committee amendment on page 2.

Mr. ELLENDER. The second committee amendment on page 2, to change the figure "\$1,250,000,000" to "\$1,475,000,000."

The PRESIDING OFFICER. The Senator is correct.

The question is on agreeing to the committee amendment on page 2, line 6.

Mr. McCLELLAN. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. ELLENDER. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. ELLENDER. Mr. President, before proceeding with the pending amendment; I wish to offer hearty congratulations to our distinguished majority leader—Mr. JOHNSON on Texas—on his 49th birthday. May he have many more happy birthdays.

Mr. President, the pending amendment, which is a committee amendment, seeks to increase the military assistance fund from \$1,250,000,000 provided by the House to \$1,475,000,000. My remarks will be directed toward the adoption of the House figures, thereby reducing the amount of military assistance by the sum of \$225 million.

I have very good and potent reasons, in my humble judgment, for seeking to effect that reduction. I wish briefly to review the military assistance program, as well as other programs which have been on the statute books for the past 10 years.

We have already spent, through June 30, 1957, \$45,486,470,000 on foreign-aid programs, both military and non-military. Of that vast sum, we have already delivered military assistance to our allies, through June 30, 1957, the sum total of \$17,219,959,000. There is presently in the pipeline \$4,380,594,000. In other words, since the military program was inaugurated, we have made available to our friends \$21,600,553,000.

The PRESIDING OFFICER (Mr. KEFAUVER in the chair). The Senator will suspend. The Senate will be in order. Visitors in the gallery will refrain from conversation. The Senator from Louisiana may proceed.

Mr. ELLENDER. That is a vast sum, and is represented by huge amounts of military hardware which we have made available to our friends overseas, particularly those in Western Europe. I voted for the Marshall plan, and I have no regrets for supporting that program. I thought then, as I think now, that we made a noble effort to place our allies on their feet, in the hope that they could at least assist themselves. When the program was first placed on the statute books, it was understood that as soon as the countries of Western Europe reached a 25-percent increase in their industrial production and as soon as they reached an increase of from 10 to 15 percent in their agricultural production, we would be able to cease with our aid to that area of the world.

Mr. President, those percentages were reached in from 3 to 4 years after the program was inaugurated. It was then, and only then, that I began to oppose any further assistance to our allies across the seas. Since our allies in Western Europe have been restored to

economic health I have tried to taper off the amount of aid flowing to countries who are well able to take care of themselves.

But, Mr. President, we are now in the 10th year, and we are still assisting our allies in many areas of the world—allies who are as able as we are to take care of themselves. As I have said on many occasions, why should we have a dime in this bill to assist a country such as Belgium, which is as able to take care of herself as we are.

We have funds in the pipeline aggregating \$1,488,200,000 for the countries of Western Europe. There is in the bill before us in excess of \$700 million for countries in Western Europe. And, Mr. President, these countries are well able to take care of themselves.

As I have stated on this floor on many occasions, the administrators of our programs abroad are "softies." They should make plans to encourage our allies in Western Europe to help us with this terrible burden that we now carry alone.

Not only must we carry our own military burden, but we contribute about 38 percent to the military budgets of the countries of Western Europe. We support entirely the military establishments in Formosa, Korea, South Vietnam, and Thailand, to mention a few of the countries in Asia wholly dependent upon us. Not one solitary dime is being spent by our western European allies in that area of the world.

Mr. President, I have stated heretofore, and I will say it again, that I think it is a mistake for us to continue to make the countries of Western Europe and the countries of southeast Asia entirely dependent upon us for their military hardware. If a war should commence, those people will look to us for military hardware, at a time when we will probably have difficulty maintaining our own military forces.

About 3 or 4 years ago, the offshore procurement program was included in our foreign-aid program. At that time, the argument was advanced that this would afford the United States an opportunity to provide our friends in Western Europe with standby factories which would be available in the event that war should come.

But, Mr. President, although the program was sold on that basis, it did not operate that way. Most of the manufacturing which took place in Western Europe was done by private concerns. When their contracts were completed, they closed shop.

In the pending bill, as in the similar bill of last year, quite a few million of dollars have been included for the purpose of providing plants for standby purposes. This was supposed to be accomplished with the offshore procurement program, and I have already explained why that did not come to pass.

There is always a good reason for starting these programs. However, the objective never seems to be accomplished. With the prosperity—and I think I know what I am talking about—prevailing in Western Europe, why should there be in this bill more than

\$700 million to assist our friends in Western Europe?

How can we justify such an appropriation when we note that the United Kingdom is reducing her forces in Western Europe, and also reducing the tax burden her people must carry?

How can we justify an expenditure of new money in France when France weakens the NATO defenses by removing her army divisions to north Africa? Notwithstanding these facts, we should consider our own financial standing when we undertake these spending sprees. I am not going into that now, but I might point out that the debt of the United States today is almost \$273 billion, and it is increasing rather than being on the decline.

Since we have helped our friends to the point where it now hurts, it strikes me there ought to be some insistence that our friends help themselves. Exclusive of the amount provided in this bill, there is in the pipeline for foreign aid a total of \$6,195,610,000. This is composed of military assistance amounting to \$4,380,594,000; defense support of \$1,288,196,000; development assistance of \$317,851,000; and technical assistance of \$174 million.

Under the technical assistance program, we provide technicians for the underdeveloped countries of the world. I wish to say that I am wholeheartedly in favor of this program. I voted for it, and I am still in favor of it. But the great difficulty with the program is that our big-eyed advisers abroad, our big spenders abroad, are trying to carry out the programs too rapidly. They are presenting programs which are far beyond the ability of the peoples, and they cannot get technicians from the United States to fill the vacant positions. Thus there exists the pipeline of \$174 million for technical assistance and if not another dime was appropriated the program could be carried on through fiscal year 1958.

Mr. President, when it is said that the new money provided by this bill amounts to only \$3 billion, it is in error. The re-appropriations of \$667,050,000 should be added to that amount in order to obtain the total new obligational authority provided by Congress, and if the Senate version of the bill is enacted into law, there will be, in new money and in the pipeline, a total of \$9,329,444,000.

Mr. President, at this time let me refer to what happened last year when this same bill was considered by Congress. Senators will remember that I made an effort to have the military assistance program reduced. Last year there was provided, in the Senate version of the bill, \$2,300 million in new money, and a reappropriation of \$195,500,000, for a total military-assistance appropriation of \$2,495,500,000. The House provided, in new money and re-appropriations a total of \$1,930,500,000. As a result of the Senate-House conference, \$2,213 million was finally appropriated.

When the bill was considered by the Senate, I made an effort to reduce the amount reported to the Senate. After a lengthy debate, the Senate voted

against my proposal; however, it lost by only four votes. The passage of time, Mr. President, has made me appear to be a piker, for the simple reason that of the \$2,213 million which was actually appropriated in fiscal year 1957, it was only possible for ICA to obligate and/or reserve a total of \$1,674,200,000, leaving \$538,800,000 unobligated and unused. In other words, Congress appropriated in excess of one-half billion dollars more than could be used.

Mr. President, it is my considered judgment that if the Senate votes for the amount, provided by the House of Representatives, we shall not only save \$225 million, but we shall have a program which will be \$114,600,000 more than was programmed for use last year.

Mr. President, last year when the House had voted for amounts which were below the authorization, Admiral Radford, Secretary Dulles, and Mr. McGuire came before the Senate Appropriations Committee and, in an almost tearful voice stated in effect, "If you do not increase the House figures it will hurt our program terribly, and we shall be held in disgrace throughout the world."

Last year Admiral Radford stated before the Senate Appropriations Committee:

I do not know how the Joint Chiefs of Staff can divide up a total of \$1,735,000,000—

That was the amount of money voted by the House of Representatives in connection with last year's bill—when the program originally submitted was for \$3 billion.

Admiral Radford also stated:

We are going to have a great deal of difficulty, and it will take us probably in the neighborhood of 6 months, to finalize the new program; and that, in itself, will have an impact all around the world.

As I have just indicated, the House figures were not adopted last year, but Congress provided \$2,213 million, and notwithstanding the testimony of Admiral Radford, a total of \$538,800,000 was unobligated at the end of fiscal year 1957. Thus, the Joint Chiefs were able to get by which \$1,674,200,000, which amount was \$256,300,000 less than was voted by the House.

Let me read, Mr. President, what Mr. McGuire said last year, when he appeared before the Senate Appropriations Committee as Assistant Secretary of Defense for International Affairs:

Could I add to what the admiral has said, sir, that as I pointed out to you on the basis of \$1,735 million, and deducting the administrative expenses of the program, you have left to distribute around the world approximately \$1,480 million. What I call the big five, that is, Taiwan, Pakistan, Korea, and those countries, total \$1,200 million * * *. That leaves you a balance of \$280 million. Let us presume for the moment that we could find some justification for going forward and funding \$280 million of advanced weapons. * * * That would mean that you would have nothing left for any other country in the world except that increment which they would not get until 1959, or 1958.

With all due respect to the chairman of our Appropriations Committee, he

used the identical argument on the Senate floor last year. It may be well to again state at this point, that the amount appropriated by the House was \$256,300,000 more than could be used in the military assistance program for fiscal year 1957.

In the light of the fact that there is so much money on hand, in the light of past performance, and in view of the fact that our allies in Western Europe should try to help themselves, I urge the Senate to accept the amount appropriated by the House for military assistance, and that the amendment offered by the Senate Appropriations Committee be defeated.

Mr. ROBERTSON. Mr. President, will the Senator yield?

Mr. ELLENDER. I yield.

Mr. ROBERTSON. The distinguished Senator from Louisiana will recall that the junior Senator from Virginia supported the position he took on this matter in committee, and he is supporting it now on the floor. The junior Senator from Virginia would like to ask the distinguished Senator from Louisiana if he recalls this testimony, which appears on page 666 of the printed hearings:

Senator ROBERTSON. The obligated and reserve carryover for 1958 is \$3,723,200,000. The House bill appropriated \$1,250,000,000 for new assistance, and reappropriates an unobligated carryover of \$538,800,000, making a total of \$1,788,800,000. Therefore, he says the total military assistance funds available for 1958 under the bill will be \$5,512,000,000 as against the estimated expenditure in that year of \$2.2 billion. Is there anything wrong with those figures?

Colonel CRITZ. Those figures are correct, Senator.

Mr. ELLENDER. I recall those figures very well.

Mr. ROBERTSON. Those are the stupendous amounts estimated by those on the House side, amounting to a 2½ years' supply. Yet we were told the amount is wholly inadequate. I do not agree with that position. I support the position taken by the Senator from Louisiana.

Mr. ELLENDER. I wish to say further that of the huge sum now in the pipeline, \$2½ billion will be used to buy equipment from our own armed services, the Army, Navy, and Air Force. This \$2.5 billion has been reserved for reimbursement to our Armed Forces when they fill MDAP orders. The hardware to be delivered in the future, covered by the amount of funds placed in reserve, cannot and will not be delivered until our own Armed Forces are able to get replacements for their own stocks. Since our own Department of Defense is lengthening the lead time in its procurement program, then it follows that there will be a slowdown in deliveries to countries receiving military aid. Therefore, to appropriate more than the amount allowed by the House will merely result in the augmentation of a pipeline that is already bulging at the seams.

Mr. JOHNSTON of South Carolina. Mr. President, will the Senator yield?

Mr. ELLENDER. I yield to the Senator from South Carolina.

Mr. JOHNSTON of South Carolina. I think the Senator has just about

answered the question I had had in mind to ask him. Is it not true that, while many citizens do not realize it, Congress first has to pass authorization bills, and then appropriation bills? The authorization acts have been passed, and appropriations have been made, and there is in the pipeline unused money. If we did not appropriate any money this year, those concerned could still get along very well in providing for what they say they are going to do.

Mr. ELLENDER. For at least 2 years, it is probably longer.

Mr. JOHNSTON of South Carolina. I do not see why Congress should appropriate money away into the future, unless it is meant to make this program a permanent proposition, giving away the money of American taxpayers to people who live in foreign countries.

Mr. ELLENDER. I agree thoroughly with my good friend from South Carolina. I covered that subject to a certain extent.

Mr. JOHNSTON of South Carolina. I know the Senator did.

Mr. ELLENDER. But the point is that if the House figures are adopted, \$1,788,800,000 will be provided for military-assistance.

Mr. JOHNSTON of South Carolina. If it is not possible to use more money than was used in the past, there will be a larger backlog next year than there now is.

Mr. ELLENDER. There is no doubt about that, but the point I tried to emphasize was that the more money we provide, the less effort there will be on the part of our allies across the seas. They are not going to build new factories with their own money, they are not going to provide airplanes and hardware, if we are willing to give it to them.

Mr. ROBERTSON. Mr. President, will the Senator yield?

Mr. ELLENDER. I yield to the Senator from Virginia.

Mr. ROBERTSON. Mr. President, has our distinguished colleague, the Senator from Louisiana, heard that next year the American people would like very much to have a tax cut?

Mr. ELLENDER. Yes, there has been talk about that for a long time.

I want to be frank in saying to my good friend, the Senator from Virginia, that I am in favor of a tax cut if we do not have to borrow money in order to replenish the money which is lost by the tax cut. If we can balance the budget and save enough money to give relief to the people, I will vote for a tax cut. However, we shall never get a tax cut if we continue to spend the taxpayers' money as we are doing, without calling upon our allies to give more assistance than they are now providing.

Mr. ROBERTSON. The Senator from Virginia does not mean to imply that he would put a tax cut ahead of our national security, and he does not question the value which will come to us from the mutual military assistance program, but he does want to point out that this morning he made a check as to how much Congress has been able to cut the President's revised budget, and discovered that we have cut it about \$4.6

billion, if we include this bill at the present figure, which makes an increase of \$500,900,000 over the amount of the bill as it passed the House. I do not think, if we pass a bill providing that amount, it will stay that way in conference. I use that figure for the sake of obtaining a quick picture.

Of the reduction, in the President's budget nearly one-half is represented by a cut we made in our own military appropriations, which does not necessarily reduce the spending one red cent.

Mr. ELLENDER. It represents a slowing down of deliveries.

Mr. ROBERTSON. The next largest cut was in the independent offices bill, in the estimate for pensions under the Veterans' Administration. The Veterans' Administrator testified that the pensions paid in fiscal year 1958 will be above those paid in fiscal year 1957, though Congress appropriated less than it appropriated for 1957. The result will be, of course, that the pensions will have to be paid and the money will have to be provided by a deficiency appropriation bill.

As the figures now appear, even if we have no recession from the present boom—and that is by no means assured—we will be lucky if we wind up next year, on the present basis, with a surplus of a billion dollars.

On yesterday our distinguished majority leader said that before adjournment this week the Senate would complete action on pay raises for postal workers and classified civil-service employees, and that will cost a billion dollars, which is not estimated in the budget.

When suggestions are made that we must not challenge the figures as to what can be given to foreign nations, we might as well recognize that we are scraping the bottom of the American tax barrel.

Mr. ELLENDER. I agree with the Senator.

Mr. President, in conclusion, I simply wish to state that if my proposal, which opposes the committee amendment, shall be adopted by the Senate, ICA will have \$114,600,000 more to carry on its 1958 military-assistance program than it had to finance the 1957 program.

I yield the floor, Mr. President.

The PRESIDING OFFICER. The question is on agreeing to the committee amendment on page 2, line 6.

Mr. JOHNSON of Texas. Mr. President, I ask for the yeas and nays on the committee amendment, to which the Senator from Louisiana has addressed himself. If the yeas and nays can be ordered on the committee amendment, we can notify all Senators that there will be a yea-and-nay vote.

The yeas and nays were ordered.

A LOOK AHEAD AT WHAT IS INVOLVED IN THE WORK OF THE SELECT COMMITTEE ON IMPROPER ACTIVITIES IN LABOR OR MANAGEMENT FIELD

Mr. MUNDT. Mr. President, last night the Senate adopted a resolution providing \$150,000 for operation of the

Select Committee on Improper Activities in Labor or Management Field.

Inasmuch as we are soon to adjourn, and since I have now been serving as a member of the Select Committee on Improper Activities in Labor or Management Field for some 5 months, I take this occasion to record some of the observations and tentative conclusions which have come to me during this period. These are also based upon the fact that as ranking member of the Senate Permanent Subcommittee on Investigations of the Senate Committee on Government Operations I have had occasion for well over a year to devote a part of my time and attention to the type of labor-management situations which are now the subject matter of investigation by our select committee.

Let me say first of all that I entered on my arduous duties as a member of the Select Committee with complete objectivity. I have heretofore had no occasion, as a Senator from South Dakota, to concern myself especially with problems in the labor-management field inasmuch as ours is not primarily an industrial State. We have no large influential organizations of employers and labor is not a major political or economic factor in our State; labor disturbances of any kind are a rarity; our unions appear to be well led; and we have had no charges of corruption, collusion, or coercion emanating from South Dakota employers or employees. I am neither beholden to organized labor for any political support or contributions nor am I resentful against organized labor for any political opposition. Thus, I have had every reason to approach this difficult assignment with complete objectivity and I shall endeavor to retain that objective viewpoint during the next 15 or 16 months which appear to be the minimum life span of our committee. I hope to retain that same judicial attitude, in fact, in all the years ahead.

Because of the importance of these responsibilities thrust upon me in the labor field, Mr. President, I have endeavored insofar as time permits to make a special study of the history, development, activities, and continuing problems of the labor movement in this country to the end that I might be as helpful as possible in contributing to the solution of whatever problems now need to be corrected.

Out of the hearings already held and the investigations already publicized or considered in executive sessions of our committee, I feel that certain facts have thus far been clearly established from the work of our committee. I believe Congress should—in 1958—enact corrective legislation on the basis of these facts and others certain to be developed in later hearings and by later investigations. Our committee, in fact, expects to recommend such corrective legislation to the Senate early in 1958. My own observations and outside studies and explorations indicate to me that in some areas of activity nothing short of new Federal legislation will provide the needed remedies.

It is now too early to predict the precise nature of the essential legislation

which will be required, but it is not too early for Senators, for the general public, and, especially, for the responsible leaders of organized labor, to begin formulating and crystallizing their ideas of what legislation is required and how it should be implemented. I sincerely invite the heads of labor unions and labor leaders, generally, to communicate to our committee their constructive thinking on how best to provide against the type of unsavory conditions which are being disclosed by our committee. What we hope to recommend, Mr. President, is not punitive legislation against organized labor but constructive legislation which will be clearly in the best interests of the working men and women of America and the labor organizations to which they belong.

We seek not to punish anybody, but it is our aim to protect everybody inside and outside of the unions against corruption, collusion, coercion, and the class of conditions and dishonest characters which can jeopardize the best interests and the financial security of the honest, patriotic, decent men and women who comprise by far the great bulk of the American employment rolls.

Mr. President, let us first of all examine some of the facts which have been brought before our committee and which our hearings and investigations have thus far verified.

Fact 1: It seems clear from the record that since the central treasuries of many large labor unions have developed such significant size not only in the areas of health, welfare, pension, and strike benefits but in their general funds, the responsible labor officials should be required to assume a well-regulated and protected trusteeship over all such funds to the end that the laboring men and women who pay the dues and fees making these funds possible will be completely safeguarded against the misuse and the dissipation of these assets. Some unions have done very well in this connection; others have been inexcusably lax. Some are a real credit to the union members and their officials. Some are a public disgrace. I feel the Government has a definite responsibility to enact legislation which will protect all dues-paying members in all unions—completely and effectively—so that the money the workers pay in shall be available in full exclusively for the purposes for which it was collected from the workers.

Fact 2: Trade unionism in America operates within the world's greatest pattern of political self-government. The democratic processes which have made America great and kept it strong are the same processes which can build and retain strength and respectability for organized labor. Since the days of Samuel Gompers that has been the procedure prescribed for developing the labor movement. Some unions have adhered to that great tradition admirably; others have violated it shamefully. In some unions dues-paying union members are given a free choice in electing their officials by secret ballot in the American tradition with appropriate procedures for nominating opposing candidates and

providing the union members a free, open, and effective choice. In other unions the one-party concept which has brought so much bloodshed, heartache, and disasters to Communist and Fascist countries is the order of the day, and opposition to existing union leadership is either impossible, dangerous, or ineffective. In too many instances self-government within the union movement has given way to dictatorship from the top. The leadership oligarchy once it has entrenched itself in the best paying and most powerful top positions operates a monolithic political structure which it is as difficult to unseat or upset as it is for unhappy Russian peasants to change their form of government or their group of Communist leaders.

Such denial of free self-determination by the workers of America, who frequently must belong to labor unions and pay whatever dues and fees that are assessed as a prerequisite for holding a job and earning a living for their families, is repugnant and out of keeping with American concepts of freedom and self-respect. I believe that the Government has a definite responsibility to enact legislation designed to strengthen the democratic procedures and processes of labor unions desiring to utilize the functions of the National Labor Relations Board. In this connection, Mr. President, I call attention to certain pertinent passages from the pen of Reinhold Niebuhr as they appear in the August 26 issue of the New Leader. I am sure that neither Mr. Niebuhr nor the New Leader could even remotely be considered antilabor.

I ask unanimous consent that this statement be printed in the RECORD at this point as a part of my remarks.

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

The liberal devotion to labor ought not to obscure the fact that even the best unions are defective in the constitutional safeguards against the misuse of power. They have no independent judiciary for one thing, no court to which a member may appeal which is completely independent of the current union leadership.

A more important defect is that there is no separation of powers. In theory, the only legislative power rests in the annual convention. There is no representative legislature. But an even more significant defect is that in many unions the executive committee is composed of members who are dependent for their own positions upon the president of the union. There is, in short, no balance of power in many unions. The late J. B. S. Hardman, who made this problem a life-long concern, reported how in the days of the late Sidney Hillman his proposal to make an alliance with the Communists in the now defunct American Labor Party, though Communists were rigorously excluded in his own union, was secretly opposed but openly supported by many members of the union oligarchy who did not dare show open opposition.

The problem of any democracy is how to make the oligarchy responsible to the democracy. For, contrary to the old liberal theory, democracies must and do have oligarchies which wield actual power and whose power must be made responsible. In the case of the teamsters, we do not know what the members think of Hoffa. We only know that a powerful portion of the oligarchy has de-

union bosses—no dictator can dominate a group when members of that group are free of their own accord to withdraw to become members of a different group. Passage of the Clayton Act, which exempted union activities from antitrust regulations, and adoption of the Norris-LaGuardia Act which virtually divested the Federal Government of injunctive authority in union affairs, however, brought about the doom of competitive unionism. Entire industries, trades, areas, and communities quickly came to be dominated and even monopolized by a single union. To attain work and earn a livelihood, men and women had not only to join a union but they had to join the specific union which union leaders determined at the top should have jurisdiction and monopoly in a particular area, trade, or industry.

Union membership was compulsory and workers had no choice but to join the specific union prescribed for him. He joined that union or he did not work. He worked or starved. Hence, he had no freedom of choice—his traditionally Americanism voluntarism was ended—and union leaders were entirely free from the constructive influences and the membership pressures provided by either voluntary unionism or competitive unionism. With the merger of the AFL and CIO, the union leaders had taken a great and almost final and complete step toward erasing the last vestiges of both competitive and voluntary unionism in many of the most important segments of our entire nationwide economy.

Inevitably, the deterioration and in some areas the disappearance of both voluntary unionism and competitive unionism has brought about the decay of a third great institution in American trade unionism which did much to protect the dignity and the self-determination of the individual dues-paying worker—democratic unionism. Many unions have already moved so far toward denying the individual worker an effective voice in controlling the union which controls him that the essential parliamentary procedures and machinery necessary for democratic self-determinations are either entirely absent or are so involved and complicated that they are operated from the top rather than from the rank and file. In the statement by Reinhold Niebuhr which I incorporated earlier in these remarks he calls attention specifically to this disturbing fact. In some unions even so important a decision as whether to strike or not to strike is made without benefit of secret ballots by the workers whose futures, fortunes, and families are directly involved.

Standing votes or verbal votes where dissidents or insurgents can be quickly identified and subjected to pressures or punishment prevail in many union decisions and the physical abuse of those who dare to differ have been frequently reported to our select committee. In addition, union officials have come into control of huge welfare, health, benefit, and pension funds and individual members are understandably loath to jeopardize their claims upon these funds by openly opposing the existing leadership

regardless of the justification or the cause. Thus, democratic control of the unions by the members who finance and support them has been seriously weakened and in some unions it has today virtually disappeared. Little areas of tyranny in the labor movement thus functioning today within the boundaries of the world's greatest system of self-government and freedom of choice, and the laws passed by this democracy have thus far done more to encourage these tyrannical operations than they have to curtail and eliminate them.

Mr. President, there is one salient, significant fact which we should all remember and which quite apparently some of the arrogant leaders of labor who have been before our committee have entirely forgotten. I refer to the fact that when we refer to American labor it is important that we give due emphasis to the word "American."

There is no laboring class in America. Our workers are not ignorant, backward people incapable of making their own decisions. They are not part of a loin-cloth economy. They cannot be herded and driven as though they were ill-informed Asiatics or Africans living in undeveloped countries or remote parts of the world. They cannot be typed as members of a permanent working class after the manner of European society. These men and women who are laborers and dues-paying union members today will in many instances become members of the management and ownership groups tomorrow. They are ambitious, able Americans.

Union members in this country are in the vast majority the same type of good Americans as those with whom we associate in our daily lives. Their children attend the same schools as your children attend. They attend the same churches. They read the same books, newspapers, and magazines as you and I. They enjoy the same entertainment and share the same joys and sorrows as the rest of us. They chew gum, eat pumpkin pie, cheer at the baseball and football games, hunt, fish, swim, and live as Americans should. They are free men and women who love that freedom and desire to exercise it. They vote in our political elections—local, State, and National. They abhor communism and fascism and dictatorship. They do not like to be pushed around by self-seeking bosses or arrogant leaders any more than you and I like to be pushed around. Americans as a group are folks who do not push easily—or happily. What is needed, therefore, is not a new type of American working man and woman, but a new type of labor-union constitution which will enable every dues-paying member to exercise his American free choice in determining who shall head his union, what his dues shall be, what policies the union shall follow, and what happens to the vast cash union reserves being built up from the toil of his labor.

Give working men and women of this country whose wages support the unions and their leaders the effective power and right to determine union decisions, and they will clean out the racketeers, the hoodlums, the Communists, the dishon-

est pretenders, the self-seekers, and self-promoters just as voters invariably catch up with and throw out of office unfaithful or dishonest officeholders everywhere. Once our American trade unions can enjoy the same degree of democratic control and impartial supervisions that Americans generally enjoy as they elect their mayors, governors, Congressmen, and other public officials, and I am confident that the good sense and the sound Americanism of American working men and women will correct most of the shameful and destructive practices which have come to the attention of our select committee.

Mr. President, the foregoing is intended rather to describe the stages through which American trade unionism has gone than to prescribe the remedies. Our hearings and our current investigations will, I hope, produce some salutary and constructive remedial legislation in these areas. At the moment, I am here neither to commend nor to condemn what has transpired to change the character and nature of organized labor in this country. Perhaps some of these changes were inevitable and perhaps some were necessary but I am frankly concerned at the loss of control, at the decrease of authority, and at the absence of freedom of determination that has come to the dues-paying members of our unions as a consequence of what has happened. I recognize that the parade of history marches on whether those in the reviewing stands cheer or jeer at what they observe. But having watched it march, certainly those of us who are reviewing what we have seen also have a responsibility to remedy what needs remedying and to give what protections seem required to our fellow citizens who must work and pay union dues to live, and consequently should have authority to decide what they are buying with their dues. To provide union members these democratic safeguards, Congress must enact new legislation.

Congress has recognized its responsibilities to the working men and women of this country in this area of activity and to the general public by passing in 1947 the Taft-Hartley Act over the politically inspired veto of President Truman. The new law was designed to protect the employees, the employers, and the general public. It has been helpful toward achieving all three goals. However, most of the excesses and difficulties now being presented to our Select Investigating Committee of the Senate, it should be remembered, have occurred since the passage of the Taft-Hartley Act. Obviously, therefore, the act as it now stands is inadequate and insufficient to do the job at hand. Further legislation is urgently required, if the dues-paying members of the unions of this country are to be served by, rather than to be the servants, of their labor leaders. The wolf cry of "slave labor," raised by certain labor leaders against the Taft-Hartley Act, appears from the evidence now before our committee to come directly from the fact that these self-perpetuating leaders fear they will lose their control over the union members they have done so much to enslave.

insofar as the exercise of their free controls over their own unions and their own leaders is concerned.

Mr. President, American labor unions are here to stay. They serve a necessary function. They must retain the right to strike as a weapon in their arsenal, to produce collective bargaining which will place them at the bargaining table and put them in the conference room with authority commensurate with that of the employers with whom they must negotiate. I am not antilabor. But, Mr. President, I am anticorruption and I am antitotalitarian. I am antipower bloc, whether it be an unjustifiable built-in or stepped-up authority for management, ownership, union leadership, or political authority. I dislike one-party rule abroad and at home. Leadership oligarchies are the halfway houses between dictatorship and democracy and they are undemocratic, whether in industry, labor, or politics. To the extent that labor leaders have tended to become union bosses and that dues-paying members have lost their freedom of choice and their powers of self-determination, I believe it to be a matter of public concern and a responsibility of the Federal Government, to provide remedial measures.

Actually, Mr. President, we face this question: Do we want to make the employees' freedom secure from union leadership, or do we want to make the power of union leadership secure from the freedom of choice exercised by the employees.

Where there is great power, there must be direct responsibility. To the extent that union power has run ahead of union responsibility, we in Congress have our responsibility, in turn, to provide the remedy. Power without responsibility in any area of human activity is the prelude to disaster and the entry room to dictatorship. To the extent that free unionism in theory has become forced unionism in practice, coupled with a corresponding centralization of power in an oligarchy of union leaders who refuse to accept responsibilities equivalent to their authority, this situation provides a pattern which requires the constructive attention of the Federal Government, both at the executive and at the legislative levels.

In all of the testimony before our Select Committee to Investigate Improper Practices in the Labor-Management Field, it appears that the forgotten man of 1957 is the tragic figure of the dues-paying members who must join a union and pay its assessments and fees to earn a livelihood, but who have lost control of what happens in or to or by their union. They are compelled to buy a ticket to ride on a specific vehicle toward a destination which they have no effective voice in determining. I believe that most Americans—in or out of the labor movement—will agree there is something un-American, undemocratic, and unwholesome about a situation of this kind. What began in the Clayton Act, with lawmakers placing the union oligarchy above the antitrust laws of the country, may well end up, Mr. President, unless some constructive legislation is now passed, by

placing the union oligarchy itself above the lawmakers and the laws of the country. This America cannot have and does not want.

Mr. President, all this becomes a matter of greater concern to the general public when we realize that during the last quarter of a century of American history no change is more important than the simple, but incontrovertible, fact that 25 years ago economics was the controlling factor of our political life, whereas today political determinations have become the controlling factor of our economic life. This is, indeed, a most significant change. What we do or fail to do to meet the problems which our select committee is now disclosing may very well determine the economic security and the future happiness of all Americans in every walk of life during the remainder of this last half of the 20th century.

I hope the Congress in 1958 will face its responsibilities in this field. Let us approach our challenge in a constructive fashion. We want legislation which is not punitive in design and is not conceived to punish people; but we need legislation—which I am confident the rank and file of labor will enthusiastically support, along with the responsible leaders of labor—which will restore the balance of power between the dues-paying member and his labor leaders and between the employer and the employee, as equally important segments of our great and growing industrial economy.

Let me say in conclusion, Mr. President, that this proposed legislation may well become a second American Bill of Rights which will provide for all labor-union men and women who pay organizational dues for the right to work the same complete freedoms of choice and determination that our constitutional Bill of Rights provides for all Americans who enjoy the benefits provided by the greatest union of them all—the Union of the United States.

MUTUAL SECURITY APPROPRIATIONS, 1958

The Senate resumed the consideration of the bill (H. R. 9302) making appropriations for mutual security for the fiscal year ending June 30, 1958, and for other purposes.

The PRESIDING OFFICER (Mr. CURTIS in the chair). The question is on agreeing to the committee amendment on page 2, in lines 6 and 7.

FOREIGN AID WILL NEVER STOP COMMUNISM

Mr. JENNER. Mr. President, the Communists have just established full control of the armed forces of Syria, right in the middle of the Middle East.

When we look at the map, we see that a Communist Syria is a dagger plunged into the vitals of the Middle East. Communist-controlled troops are now in the rear of Turkey, Iraq, Jordan, Israel, and Lebanon. Soviet submarines have a base in the eastern Mediterranean. Our Greek-Turkish policy and our Middle East policy are checkmated.

In the light of this unexpected development, let us look at the President's

first report on the Middle East program. The report says that since March 1957, we have made agreements to give \$174.2 million in that area. More than half of this is apparently for economic aid.

Let me read the list of Middle East countries to which we are giving economic assistance, either directly or through regional pacts. They are Afghanistan, Pakistan, Iran, Iraq, Saudi Arabia, Lebanon, Libya, Ethiopia, and Turkey.

I have no wish to criticize any of these countries. Some of them are among our firmest friends in this disjointed world. But I call attention to the fact that several of them are very rich.

Now let me read the list of our economic projects, as included in the Middle East report. They include low-cost housing and slum clearance, municipal water supplies, rural electrification, irrigation, road construction, railroads, air transportation, schools, broadcasting, telecommunications, resource development, industrial projects, and economic surveys to draw up plans for more economic aid.

I have two questions to ask about this report:

The first you probably have already guessed, Mr. President. It is this: What about American need for new roads, improvements of our railroads, air traffic, municipal water supplies, slum clearance, low-cost housing, schools, rural electrification, irrigation, telecommunications, and economic surveys to prepare for what else we need?

Of course, the proponents will quote me beautiful figures about the gross national product, and they will say, "the United States is rich. We have plenty of money to spend at home and abroad."

So I reply: "Do any of you believe that the American people can pay, today, for their own schools and water systems, irrigation and air-traffic improvements, slum clearance and low-cost housing, without a most painful pressure on our family budgets? Does anyone think we can pay for these things without increasing pressure on the markets in which we sell our Government bonds?"

We have already had to raise Government interest rates, again and again, to get enough bidders for the bonds we have had to refinance.

We are facing an increase of billions of dollars in the annual cost of carrying our debt, even if we do not increase our total debt by \$1.

We are facing an increase in spending, due to higher prices, even if we do not add one item to our present spending.

The problem is not whether we can cut taxes but whether we can avoid imposing higher taxes, unless we cut spending.

How, then, I ask, are we going to finance water supply systems and broadcasting stations, low-cost housing, modern roads and airfields, for up to 15 countries in the Middle East while we carry the rest of Asia, Africa, and Europe on our backs, and also reduce our debt, and ease the pressure on the budgets of our families here at home?

That is only one question.

I have a second question. I ask, "Why should we do it? What good will it accomplish? What has happened to the boasted intelligence of the American people, their moral influence, their economic leadership, their political wisdom? Why do we, the strongest Nation in the world, find ourselves with no way to influence the world situation, except by a gigantic program of welfare spending, with a little military hardware thrown in?"

It is obviously impossible to accept the repeated statement that economic aid is, in some mysterious fashion, a barrier to Communist advance.

Were the Communists held back in Syria?

It is time we had some fundamental analysis of where we are going in foreign aid, not an analysis of the details, but of the direction. It is in our navigation, not our operations, that the error lies. The time for such analysis is now, when we are asked to borrow three or four billion dollars, at rising interest rates, to provide foreign aid for fiscal 1958.

Our foreign aid spending falls into many categories, but only two are important, military assistance and economic assistance. Since the end of the war we have spent sixty-nine billions on foreign grants and credits, most of which was for economic aid. Contrary to most comments, military aid has been only a small part of the program, except for very recent years.

In the beginning we were given the most solemn promises that economic aid was temporary. It is now frankly proposed to make economic aid a permanent American policy, to center it on the neutralist nations of Asia and Africa, and taper off military aid to our former allies. Military aid to anti-Communist nations is on the way out, and a permanent program of soft loans to 1 billion people in Asia and Africa will take its place.

The proposed International Development Fund is the instrument devised to set future policy in the direction the planners desire. If the Congress wishes to abandon our policy of strengthening the anti-Communist nations, and instead to embark on a project of raising the economic level of a billion people in the underdeveloped nations, it should, by all means, inaugurate the development loan fund. That is the overriding issue in our vote on this bill.

First, let us look at the technical side of this development loan fund, and then at its political implications.

Point 1: This fund is called a loan program, but that pretty name does not apply to its status in our budget. Repayments under this program go to the foreign-aid fund, not to the Treasury. The minority views of the House Foreign Affairs Committee say with finality this sum will be added to our public debt. In other words, we are to borrow, at ever-increasing interest rates, any money we vote to give these nations. The interest cost will be paid by our people, year after year.

Point 2: Under this bill, Congress surrenders all authority over this money.

The House minority views say:

The proposed development loan fund is not subject to any effective congressional or other control.

They add:

The powers and authorities of this formless entity are extremely broad in their application and vague in their limitations.

There is a loan committee of officials with other jobs, but the manager's powers are practically unlimited.

In the debate on the authorization in the House, Representative HARDY said:

If the manager sees fit, under the language you have written into this bill, he can disregard every single principle that has been set out by the committee. * * *

It is the most loosely drawn thing I have ever seen.

Now, this fund is ostensibly to make possible the lending of money to undeveloped areas, but those in charge can deal with any public or private entities they care to. There is nothing in the bill to prevent any individual in this country, or anywhere else, from setting himself up as a corporation, getting a loan, and going into business far off in Asia and Africa. Once the loan is made, Congress loses its last chance to supervise the transaction.

The ICA is already deep in the business of development loans. It does not need this new legal instrument if its purpose is to make loans. I fear it needs the new setup only to remove itself further from congressional scrutiny.

A most interesting report on economic development through private investment activities of the mutual security program was put into the CONGRESSIONAL RECORD by a Member of the House. It was, apparently, the handiwork of ICA.

The ICA, says the report, is already giving investment services to private borrowers, including:

First. Exploration, mapping, aerial surveys of mineral and other resources.

Second. Study missions to advise on the economic, technical, and financial feasibility of projects.

Third. Loans from counterpart and other funds.

Fourth. Investment guarantees.

Fifth. Private, governmental, and mixed development banks.

Sixth. Investment advice.

Seventh. Loans from Public Law 480 funds.

I should like to ask, Mr. President, first, who are the private individuals, including Americans, who get these services and these loans; second, why does the United States Government use tax funds to pay development costs for private investors?

This is a clear financial subsidy, lowering the costs and increasing the profits of private borrowers. Our Government has not used tax funds to pay preparatory costs for our oil, sugar refining, and other vast American enterprises abroad. Why do so now? Why do it far from congressional supervision?

Let me give the Senate some of the beneficiaries, from this progress report.

ICA used tax funds to prospect for a new rubber plantation in Liberia for the Goodrich Tire & Rubber Co.

We made geological surveys in Brazil for Bethlehem Steel and United States Steel and Harbison-Walker.

We made oil explorations in Jordan which led to a contract for Edwin Pauley and the Phillips Oil Co.

In Guatemala, the ICA industrial adviser is helping General Tire & Rubber to establish a plant.

These corporations operate in the public view.

How many fly-by-night operators are also going to get into this picture, start a business on a shoestring, and then sell out to credulous investors?

Now I ask Senators to listen carefully to one development project which is most curious. Every detail is fascinating. The ICA apparently sent a study mission, including several American corporation presidents, to the Belgian Congo, for the Belgian Government, to report on the feasibility of a giant hydroelectric plant on the Congo River.

Now listen carefully. The proposal was to build a plant 75 miles up the Congo, producing up to 20 million kilowatts of electric power.

Of course—

Says the report—

in an undeveloped country, such a large amount of power could not be used.

Now hear this. The Belgian Government hired 6 engineering firms: 2 American, 2 Belgian, 1 Swedish, and 1 Swiss, to study the size and design of the plant. The decision is tentatively for a first-stage project of 3 million kilowatts.

The report says:

The entire project would equal the power capacity of 10 Bonneville projects, while the proposed first phase only, is one-half again as large (as Bonneville) and the estimates are that the power would be the cheapest in the world.

This is all going to be financed on the private investment market in the United States and Europe.

Industries contemplated, include aluminum reduction, fertilizer and chemicals, woodpulp and paper products.

The ICA contribution to this project was less than \$15,000.

The Belgian Government has already paid out over \$750,000.

What kind of business is this?

If the ICA spent only \$15,000, against a first expenditure of \$750,000 by the Belgian Government, for a project to be privately financed, why was ICA involved at all?

Could it possibly be that it thereby got inside information which it could give to a favored few, who want to set up businesses in the shadow of this hydroelectric project built where there was no demand for electricity?

In passing, I mention that Belgium is a rich, industrial nation. It has been operating in the Congo for 50 years or more. Some of the richest and most powerful corporations in the world operate in, or in connection with, the Congo. What goes on here?

Now hear ICA's conclusion from this experience:

Surely there are many other projects of this scope in the free world in which our Government can be helpful by advice and assistance to construct and develop, where private American and other investors would be anxious to locate foreign operations.

This is what our Government has been doing with our money in the partial obscurity of ICA.

Now we are urged to put all these loans behind a paper curtain, through which Congress will never be permitted to peer.

How is this going to smell a few years from now?

Some unpleasant odors are already rising in various countries from profits made from our overvaluation of local currencies, from offshore procurement, and other foreign aid transactions.

Even if we put the best men we can find into such offices, how long will it be before the fast money boys have found their hidden way to these gold mines and are disgracing the name of our country by their greed and chicanery?

How long will it be before the money-hungry speculators find the weak places in the agency personnel, and discover how to get the inside dope before their rivals?

How long before the few officials who are willing to make deals take over from the honest men, by Gresham's inescapable law?

This will be the shipping scandal, Teapot Dome, the Insull story, and Johnny Dio, rolled into one, if we go down this road.

By a curious coincidence, the total of such development loans, under the present program, is estimated at at least \$300 million, the amount recommended by the House for the development fund's first year.

We are already operating development loan funds in Taiwan, the Philippines, Jordan, Israel and elsewhere.

There is a series of clues to indicate how important it is to the Communists to have the United States engage in a long-term program of industrializing the undeveloped areas.

Lenin and Stalin both held that the world could not be communized until American capital had been put to work to industrialize Asia and Africa.

This long-range plan was stepped up during the war, when we heard many variations of how American capital should be applied to restoration of war-ravaged Russia and central Europe.

It will be remembered that at the urging of Harry White, Secretary of the Treasury Morgenthau urged a \$2 billion rehabilitation fund for the Soviet Union.

The doctrine is set forth in the writing of Gunnar Myrdal, who said in *An International Economy* that—

* * * An integrated international society requires a * * * redistribution of wealth and income and of economic opportunity between the rich and economically developed economies of the West, and the so-called undeveloped areas of the world.

There is substantial evidence of a spread of the ideas and values necessary to bring this about.

Again and again, proposals have been made by American officials reflecting—probably quite unconsciously—the Soviet plan to dismantle our Armed Forces and apply the savings to a point 4 program for the earth.

This plan is important to the Communists for two reasons.

It is a way to reduce the economic surplus which makes possible America's gigantic war strength.

It is a way to turn the rural population of Asia and Africa into a rootless proletariat who will be more readily responsive to Communist wiles.

I have already referred to the innate resemblances between the new development loan fund and SUNFED.

Do not be misled because some of these plans call for private enterprise.

They are the most dangerous.

The Communists now have fully matured plans for using private capital, private banks, and private investors to build up communism as easily as they use Socialist state enterprises.

You will remember, Mr. President, that in the Sobel case, it was reported that the Soviet Union had more than 50 private enterprises working as covers for its espionage.

I am not asking anyone to take my judgment as final.

I am urging that we stop and assay the full danger before we take this fateful vote to use American money, to establish an agency to do anything it likes, in our name, from the western coast of Africa to the eastern outposts of Asia.

It is now almost Labor Day.

We shall be back here in 4 months, if not sooner.

This development loan fund is a new departure at best.

What harm can come from delay?

The loans are, admittedly, soft loans, and upset the careful work of banking agencies like the Export-Import Bank and the International Bank, which are trying to stay on solid ground in helping unindustrialized areas.

The proposal for a development fund is supported by a very specious appeal to ignorance in the statement that backward areas cannot finance waterworks, irrigation, and port improvement, without gifts from us.

That is the sheerest nonsense.

Probably all the railroads in the world, except those of England, were built with capital borrowed in the international market.

In general, money for railroads had to be borrowed before heavy industrialization started in any country.

Investment capital has moved quickly from country to country, and project to project, wherever it could find a job that promised to pay its costs.

The argument that undeveloped countries cannot borrow for their capital needs is so stupid or so dishonest, it is embarrassing to see able people support it.

There is a certain grim humor in the fact that those who have most violently denounced the colonialism of private investment are bringing to the colonial areas the far greater cruelty of state-controlled investment.

When the government controls investment, it has de facto control of all economic, cultural, and political activities in the country.

National communism is at hand.

In the House debate on the authorization bill, Representative SMITH, of Wisconsin said:

Is it not strange, Mr. Chairman, that the program of foreign aid which is designed to combat the advance of communism throughout the world in effect applies socialistic or communistic techniques to achieve its ends?

The program that has been in effect and which is proposed for the indefinite future is one of crass materialism based upon the socialistic principle that economics is the controlling factor in life.

As Representative SMITH put it, the development fund takes away a crutch and substitutes a wheelchair.

It does nothing, whatever, to strengthen free institutions in the receiving countries.

Another specious line of argument is the listing of imaginary benefits to the United States.

One ardent supporter of the ICA position, speaking of our dependence on these areas for raw materials, stressed the rubber of Southeast Asia.

But one of the most brilliant achievements of World War II was the speed and effectiveness with which the United States Government developed a synthetic substitute for rubber.

Our real dependence for raw materials, outside our country, should encourage us to step up the proportion of help we give Latin America.

But Latin America has been the step-child of foreign aid since it was started.

Representative WALTER told the story of how Congress appropriated money to help Latin American countries receive some of the Italians and others, who wished to emigrate from Europe.

But Representative WALTER said the State Department spent only \$1 million out of the \$15 million Congress appropriated.

Equally specious is the argument that foreign aid spending helps business and makes jobs.

Let us make it clear.

When we give money to Europe to buy coal from us, that makes jobs in the coal mines, but they are jobs without pay.

The coal miners are paid out of the windfall from inflation, but the rest of us pay a hidden tax, in the fall of the dollar.

There seems to be a spate of unwritten hints that if foreign aid spending were cut off, business in this country would crash.

That is true only if the American people all have everything they need and have no unsatisfied wants.

If we do not need any more roads or schools or irrigation projects, if we do not need better airfields, jet planes, improvements in railroads and urban transportation, then the drying up of orders for three or four billion dollars worth of foreign aid orders will cause a drop in our economy, but not till then.

On the contrary, the papers now tell us that parts of the roadbuilding program, which has been passed by Congress, will have to be held up because of rising costs.

Our own military is making drastic cutbacks at the moment we are voting to pay for low-cost housing and public power in all quarters of the earth.

I think the value of this argument, that we need foreign spending for pros-

perity, is well measured by the fact that it is kept so secret, and apparently spread by whispers.

If we are talking about foreign aid and American prosperity, I invite the attention of the Senate to the fact that the foreign aid officials have some \$8 billion of spending in the pipelines, a large part of which has not yet been billed to the American Treasury.

They are asking for an additional billion and a half dollars for the development loan fund, and promising that this money will be spent slowly.

I ask, when will these bills be presented to the Treasury and add to the money our Government has to get from the bond market?

We have no certainty that these unpaid bills will not reach their peak at the very moment when we are suffering from an economic recession.

Remember that now, because of the Ruml plan for current payment of taxes, our tax income will turn down the moment business begins to recede.

Someone wants foreign aid very badly for some quite different reason than to bolster our economy.

There are quite a few additional programs in this bill, but they are all really foreign aid.

Congress was determined that point 4 should be technical assistance only, and that we should not supply the capital needed for these projects.

But we have come full circle, and are now supplying the capital through ICA.

There is no longer any reason for keeping point 4 as a separate program.

The same is true on U.N. technical assistance.

Why should we contribute anything to the United Nations to duplicate what we are doing?

All this splitting up of programs merely wastes the time of Congress.

It is time the Members of Congress decided not to waste time we need for more serious problems.

This year, Members of Congress have been proffered thousands and thousands of pages of testimony on foreign aid, to digest before they voted.

The Senate special Committee on Foreign Aid published 1,580 pages of reports and 785 pages of hearings.

The House Foreign Affairs Committee published 1,394 pages of hearings.

The Senate Foreign Relations Committee hearings were 828 pages.

The House Appropriations Committee hearings ran to 1,159 pages.

The Senate Appropriations hearings will be, perhaps, a thousand pages more.

This adds up to more than 6,000 pages of printed hearings, the equivalent of 30 books printed in almost illegible fine print.

This total does not include committee reports, floor debates in the House and Senate, the House Government Operations Committee's reports on Guam and on budget presentation, and a multitude of other documents from both the Senate and the House, which contain important information Congress needs to know.

I do not even mention the river of words from the executive branch itself.

As the Senator from Arkansas [Mr. FULBRIGHT] learned recently, the truth can be obscured by giving no information at all, or by giving so much information that no one could possibly read or understand it.

It is time for Congress to end this nonsense.

It is time for Congress to divide foreign aid into two clear programs, military and economic.

Then we should hold up all appropriations for economic aid for the remaining 4 months.

They have money enough to run for months, or years—I believe the Senator from Louisiana said for more than 2 years—without an additional penny being granted.

Mr. ELLENDER. The Senator is correct.

Mr. JENNER. That will give us time to consider a much more serious matter: what is happening to our military assistance to firm anti-Communist nations?

We are helping to maintain a million Koreans and Chinese and Vietnamese, under arms, but where are the anti-Communist legions of free Asia?

I will tell the Senate where they are.

They have quietly been converted into internal security forces, that is, police forces.

Meanwhile, our foreign policy seems to be changing from anticommunism to support of neutralism.

Who wants it changed? Who decided we were to disengage ourselves from free Asia, and forget our ties to Europe, while we try to remake the lives of a billion people in neutralist Asia and Africa?

I spoke a few months ago of the curious way in which our military aid programs each had a mysterious weak link which prevented their use to deter the Communists.

Now I find increasing reference to these armed forces, as forces to deal with internal threat only. Who decided they were to be changed from military to internal security forces?

Several years ago, I said that free Asians could save Asia. They could fight for Asia better than we could, if we gave them the best training and weapons.

Of course, America cannot man all outposts which guard the free world from Communist assault. But we should not need to man them all.

There is nothing better known in war than the problem of encircling the enemy. Every foot of the circle must be watched and guarded. Free Asians can guard most of the line in Asia. Free Europeans could—without our help—guard most of the line in Europe. Greece and Turkey and Iraq and their friends could guard the Near East, if they had military forces.

But if they are converted to security forces dealing only with internal threat, then no one is telling the Soviet Union to desist from aggression.

If we are turning the armed forces we assist into police forces, then we are saying to the Soviet Union, "You are in no danger from the anti-Communist nations of Europe and Asia."

Perhaps our planners intend to incorporate these men into an international police force, under the security council, including the Soviet Union.

We have just seen the departure from the Defense Department of the Secretary and the Chairman of the Joint Chiefs of Staff. The Department of Defense is, momentarily, in a state of flux, and the power of the permanent nonmilitary staff is at its height.

Recently, I discussed the provision in the foreign-aid authorization giving the State Department final decision on who shall get our military aid—instead of leaving the decision to Congress and the President after they had weighed the advice of both diplomatic and military experts.

This is the moment when Congress should do nothing at all about economic aid, but come back in January prepared to find out what is happening to our military policy making.

After we have settled that question, we can turn to foreign policy and decide at leisure what we need for a truly American foreign policy.

I am not willing to believe that gifts from the American Government to foreign governments are the noblest expression of the American spirit, the highest use of American intelligence, American political wisdom, and economic progress. No, indeed. The American Nation had a more powerful influence on Europe and Asia when it was a new Republic of about 5 million people. We had a more salutary influence in Russia and Siam when we freed the slaves, in the midst of a civil war which consumed all our material resources.

We had a more inspiring influence on Europe and Asia at the turn of the century, when we forbade the dividing up of China by the great powers, and promised freedom to the Philippines.

I believe those earlier efforts of ours, to do the right thing, and let world opinion follow, carried us to far greater heights of influence over the world than our present undignified race to give away vast sums of American capital to foreign countries to stimulate economic growth for which these nations are quite unprepared.

What is wrong with our foreign-aid program is simply this: it is wrong from top to bottom. It starts from the wrong place, and travels rapidly in the wrong direction.

It is not only wasting billions of the national wealth, wrung by our labor from the farms and factories and railroads and offices of our country. We could endure that economic drain, however much it cost. But this emphasis on the great giveaway closes the door on every bit of talent for sound leadership that the American people have exhibited in other crises of world history.

Foreign aid spending puts a damper on every kind of program to contain the Communists, to weaken them internally, to encourage free nations, and help them by far sounder methods which the American people have practiced since the founding of our Republic.

How can we explain the astounding fact that all our efforts, backed by over

\$60 billion, have not delayed or disturbed the Communists one iota?

Today every honest American admits their success is greater than ever.

Our foreign aid spending does not hurt the Communists.

It does not spread the influence of American ideals.

It does not help other nations to keep free of government control of their own lives.

Two political groups must unite their forces to put an end to foreign aid spending.

One is the people interested in the health of American economy—businessmen, householders, true union leaders, economists.

The other is the people interested in a genuine American foreign policy, resting on American intelligence, American morality, American economic leadership, and respect for the free people living in the shadow of Communist power.

How must the people of north Africa feel toward Americans when they are being killed with American ammunition and guns sent to them by the American taxpayers for the purpose of NATO, but used by France, who pulls her divisions out of NATO, and sends weapons to north Africa to kill the natives?

We know what is the matter with the foreign policy. We know we are not hurting communism that way.

I have said again and again I am not opposed to an America helpful to other nations, especially those who believe in liberty.

But I want the America of today to make a foreign policy which brings light and hope to the world, as we did in the days of Washington, as we did in the days of Monroe, as we did in the days of Abraham Lincoln, as we did in the days of McKinley, John Hay, William Howard Taft, and Charles Evans Hughes, when America stood for national security for a China threatened by the great powers, and national independence for an undeveloped people newly freed from rule of a dying empire.

I am suggesting we bring about a major turn in American foreign policy, from reliance on American money to American intelligence, courage, moral principles and economic leadership.

But I know that change cannot be made with an ax.

We must be as careful as the surgeon in cutting off foreign spending which has grown up under 17 years of bureaucratic nurturing.

We must cut off this parasitic growth without injuring the economies of other countries, or the political stability of the leaders who have been our friends.

I suggest a simple formula.

Military aid goes to our friends; let us revamp our military aid which keeps under arms hundreds of thousands of troops in free countries which could not be supported locally.

Let us combine both direct assistance to the Armed Forces and financial assistance for other military necessities, like roads, port facilities and airfields, and let the Defense Department make the decisions.

Let us take the American Government out of economic aid, either loans or grants, to foreign governments.

We shall never see the problem of communism clearly till we end all economic aid.

Let us resolutely refuse to appropriate one single dollar to the development loan fund, which will be the biggest give-away of all.

Let us put the ICA on notice that they must live on the 2 years' income now in their hands.

Let us close out the Agency as of June, 1958, transferring all its functions and its funds to the Treasury.

Let us abolish the spending bureaucracy in the United States Government, and the political machine it has built up, to keep itself in power.

Grants for military assistance will hold the line against communism, while the Congress of the United States, with the advice of its citizens, sets to work to construct a genuine American foreign policy, resting on our idealistic achievements in politics and industry, which the American people have always generously shared with people of all nations.

Mr. BUSH. Mr. President, I rise to speak in support of the committee report, although with considerable regret, because it is some \$300 million less than the amount in the authorization bill, which the Senate passed sometime ago. I agree with those who deplore the fact that foreign policy is being made in the bill and sometimes elsewhere by the Appropriations Committees of the House and Senate.

I believe that, especially in the field of foreign policy, the authorization bill is the important bill, and that, once the authorizations are established by the Congress, the Appropriations Committees of both Houses—unless they have new facts and some important new information to consider in connection with the appropriation bill—should abide by the authorizations.

We are considering the pending legislation at a very fateful time, for only yesterday we heard the announcement by the Soviet Union that they have launched successfully an intercontinental ballistic missile; that it traveled a long distance, at a very great height, and hit the target. It is a very vague announcement, of course, but we hardly dare dismiss it entirely, because we know that the Soviet Union has been working on that type of missile. It points up, therefore, more than ever, the need for a mutual security program which will enable the United States to maintain in the various free countries bases from which we may deal with the Communist threat, if it should be necessary to do so, in or about the lands in which the free people live.

I have tried to examine the bill from the standpoint of my own State of Connecticut, as well as from the standpoint of the United States. I find that, if the United States tried to create by itself the defense forces being established on a partnership basis, the United States ground forces alone would have to be increased from less than 1 million men in

uniform today to almost 6 million men; the Navy would have to be increased to three times its present size; the Air Force double its present size.

We can imagine what this would do to United States families in the way of draft calls and what it would do to the United States taxpayers in the way of increased expenses.

The State of Connecticut has approximately 2,241,000 citizens, who pay about \$1,156,072,000 in United States Federal taxes, or \$516 per citizen.

Connecticut has approximately 3,100 citizens drafted each year for military training.

The cost per United States citizen for all domestic defense is approximately \$220. The cost per United States citizen for all mutual-security programs is an additional 10 percent, or \$22, of which \$10 is for economic aid and \$12 for weapons and training aids.

What protection do the people of my State derive from the expenditures of these billions of dollars, and what protection do the citizens of other States obtain from such expenditures?

They get the protection of allied and United States defense forces all over the world. This kind of protection has kept the Soviet forces behind the Iron Curtain. The outward march of Communist armies has been stopped dead in its tracks. The free world is still free and able to work out problems in an atmosphere of hope and confidence, instead of fear.

We get the protection of greatly increased world defense strength.

We get the protection of United States air and naval bases of the greatest strategic importance at many spots around the world.

Mr. President, with our partners, we have put together a security system which is far more than simply pieces of paper. The mutual-security pacts are backed by defense strength actually in being, and these forces are in process of becoming equipped with the most modern weapons available, weapons which are needed in order to counteract the increased firepower of the forces of the Soviet bloc.

Furthermore, the people of my State and the people of the other States of the Nation have received the protection which comes to the entire United States when countries and areas important to us are kept out of unfriendly hands. One has only to look at the map of the world, to imagine what would be the position of the free world today if there had been no mutual-security program and if Greece, Iran, the Philippines, and Vietnam, to name only a few countries, had been taken behind the Iron Curtain or had come under the domination and control of the Soviets or the Communist Chinese.

Mr. President, there was published this morning in the Wall Street Journal an editorial entitled "Charity and Security." The editorial reads in part as follows:

Admiral Radford the other day offered the country grim alternatives if foreign aid is substantially curtailed: Either we would have to expand our own Armed Forces great-

ly, with nearly every able-bodied man of military age spending several years in service abroad, or we would have to withdraw into a fortress America.

The editorial further states:

This newspaper does not accept the validity of these alternatives. There is another one, and the only correct one. That is that our allies, in their own self-interest, make the necessary contribution to the joint defense out of their own resources. If they are economically incapable of making a sufficient effort, then their military value is diminished in any case. If they are unwilling to do so, then their reliability as anti-Communist allies must be gravely questioned.

Mr. President, I question very much the third alternative as being at all practical. Are these allies able to maintain and equip the vast ring of airbases which constitute one of the primary elements of defense in the NATO organization? Can they provide the necessary implements of war? The evidence indicates that they cannot. If they had not received our aid, which will continue to come to them under this military-assistance program, many of them would, of necessity, have fallen long ago; and heaven only knows where that would have left the United States and the other nations of the free world.

One wonders how long Korea could have opposed the Communist forces without the aid provided by means of this program. One wonders what would have happened to Formosa, Vietnam, and the Philippines, in the absence of this program.

What would be the defense costs to the United States if the mutual security program were eliminated? One cannot answer this question directly. Who can say precisely what it would cost the United States to have in its Armed Forces 6 million men, instead of 1 million men, or to have 2,500 combatant naval vessels, rather than the 1,000 we now have; or to double the number of the aircraft of our Air Force? Should such vast United States forces be scattered all over the world, as would have to be done in order to provide the same protection we are receiving now, enormous expense to us would be involved. No one can predict the cost of such an operation; but it seems safe to say that the cost would be at least 3 or 4 times the present cost of the domestic defense of the United States. With our defense expenditures today running approximately \$40 billion a year overall, the cost of defense to the United States would thus jump from approximately 10 percent of our gross national product to 30 or 40 percent, and Federal Government taxation and borrowing would have to rise accordingly. In such a situation, virtually full mobilization and control of the country's economic life would be necessary. Neither my State of Connecticut nor any other State of the United States could escape those circumstances.

Mr. President, in recent years the United States has spent a little more than \$4 billion annually on aid to our allies and other friendly nations, chiefly under the mutual security program. This has amounted to somewhat more

than 1 percent of the gross national product, approximately 6.5 percent of the total United States Government expenditures, or approximately 10 percent of the expenditures for national security. It has been estimated that in recent years approximately 600,000 jobs in the United States have been directly attributable to the expenditure of foreign-aid funds, and it is estimated that approximately 10,000 of those have been in Connecticut.

The burden of the mutual security program on the United States taxpayer is an alternative to the much greater cost of providing our military protection entirely from United States resources and United States bases.

Mr. President, in conclusion, I should like to say that I think when one reads the evidence in connection with this bill, one must give weight to the opinions of such men as Admiral Radford, who recently retired as Chairman of the Joint Chiefs of Staff, who already today has been quoted on this floor. He is one of the great citizens of the world. He knows the world and world conditions and world personalities perhaps as well as does any other living American. He says that if this bill is not kept intact, the results for the United States and for the rest of the free world might be catastrophic. He is deeply distressed that the bill has been cut below the authorization figures previously approved by the Congress.

The President of the United States considers this bill as being one of the most vital, if not the most vital, of all the bills which have come before the Congress this year.

Furthermore, in the remarkably fine Foreign Service of the United States, where we have many able career diplomats, we find that, almost to a man, they favor this program.

So, Mr. President, I hope that all amendments to cut mutual security appropriations below what already is too small a minimum will be defeated, and that the bill will be passed.

I yield the floor.

Mr. GREEN. Mr. President, I rise to express my disappointment in the mutual security appropriations bill which has been reported to the Senate by its Committee on Appropriations.

Only 3 weeks ago the Senate agreed to the conference report on the bill authorizing mutual-security appropriations. That bill authorized a total of \$3,367,083,000 in new appropriations for the mutual security program. At that time I expressed my regret that the conference figure was not higher; but I urged passage of the bill as being, in the circumstances, the best the Senate could hope to obtain.

Mr. President, today we have before us a mutual security appropriation bill which makes available \$3,025,660,000 in new funds for the mutual security program. This sum is \$308,750,000 less than the President requested, pursuant to the authorization bill to which I have just referred.

It is true that the pending appropriations bill provides \$500,900,000 more than was provided in the House version of the

bill. That is something to be grateful for. Nevertheless, in my judgment, the total appropriations provided in this bill are still too low for safety. I believe the Senate would be taking an unwise step if further reductions were made.

In my opinion, Mr. President, the Congress is acting emotionally, rather than intelligently, on the question of foreign-aid appropriations. Let me give two reasons for holding this opinion. My first reason is that the Congress is not doing what our careful studies of foreign aid led us to conclude we should do. Senators will recall that last year we were concerned about whether we were following the right policies with respect to foreign aid. For that reason, the Senate established the special Committee To Study the Foreign Aid Program. That group was composed of the entire membership of the Committee on Foreign Relations, plus the 2 ranking members of the Appropriations Committee and the 2 ranking members of the Committee on Armed Services. As is well known, this group, of which I had the honor to act as chairman, conducted extensive studies and surveys of the foreign-aid program. The unanimous conclusion of the special committee was that the mutual-security program had served the United States well in the past, and that in the national interest it was necessary to continue the program. Although other countries benefit from the program, the United States itself also benefits, both directly and indirectly. The committee especially recommended that the United States embark on a long-range program of furnishing economic development assistance to underdeveloped areas of the world on a loan basis.

The special Senate committee was not alone in reaching these conclusions about the future course which our foreign-aid policy should take. Several other important qualified groups, both inside and outside the Government, came to the same general conclusions.

On the basis of intelligent action, then, the Congress knows what it should do. Unfortunately, we have not followed through. Consider the development loan fund, for example. The committee recommended—and the Senate approved—establishing on a 3-year basis, a development loan fund having a total capitalization of \$2 billion, to be built up gradually over a 3-year period. However, in the authorization bill which has just become law, this development loan fund was severely cut; and an appropriation of \$500 million was authorized for the first year, with an appropriation of \$625 million authorized for the second year. But what appropriations are now proposed? The House version of the bill would appropriate, not \$500 million, but only \$300 million for the first year's increment of the development loan fund. The bill as reported from the Senate committee raises that figure to \$400 million, but that is still \$100 million below what is authorized. In short, although we have decided in the Senate that it would be wise to establish a development loan fund with adequate capital, our emotional reaction to the world situa-

tion will not permit us to appropriate more than \$400 million, and even that figure will probably be compromised and reduced in the House.

Mr. President, my second reason for saying that the Congress is acting emotionally on this issue is that the Congress lags behind the country in its estimate of what is wise policy. The Congress is more isolationist than is the country. All the public-opinion polls, all the studies, all the surveys, are uniform in their conclusions that a substantial majority of the voters fully support the mutual security program. This solid factual information, however, is insufficient to prevent many Members of the Congress from picking up the first hostile letter about foreign aid and rushing forth and saying that the voters will not stand for any more of it. The voters will stand for it, Mr. President. Most voters are more mature on this issue than most Members of the Congress give them credit for being.

As we look back through the history of the rise and fall of great civilizations, we find many reasons why civilizations fall. We find time after time, however, that when countries grow rich and powerful they also grow fat and lazy. Countries tend to become fond of their comforts and indifferent to suffering and dissatisfaction around them in the world. They become complacent and unwilling to make sacrifices. Countries tend to let down their defenses. They tend to drop their guard.

I do not say, Mr. President, that America has reached this unhappy state as yet. But it seems to me that the action which the Congress is now asked to take on this mutual-security appropriation bill is a bad sign. In spite of the fact that we know in our minds that we should appropriate more for the mutual-security program, and in spite of the fact that all of our careful studies tell us this, we cannot quite bring ourselves to appropriate the amount of funds which will make the program really effective.

Mr. President, I shall vote for H. R. 9302 as it has been reported to the Senate from the Committee on Appropriations. I am disappointed in the bill, but I regret to say that it is probably the best we can hope for now.

Mr. HUMPHREY. Mr. President, will the Senator yield?

Mr. GREEN. I yield.

Mr. HUMPHREY. First of all, I wish to say to the distinguished chairman of the Foreign Relations Committee that the statement he has made relating to his support of the bill is one which, as one member of the committee, and one who is devoted to the chairman, I fully support. I recognize that the appropriation does not go as far as the authorization does. As the Senator well knows, we on the Senate side were somewhat disappointed with some of the compromises we had to make in order to get an authorization bill, but we did what we thought was best under the circumstances.

One part of the bill to which I wish to call the attention of the Senator from Rhode Island relates to the malaria-

eradication program. As I understand, the Appropriations Committee view on the malaria-eradication program appears on page 6 of the report, which reads:

The authorizing legislation provided that not to exceed \$23,300,000 of the funds authorized could be used during the fiscal year 1958 for malaria eradication. The President's program submitted to the Congress provided \$19,400,000 under the head, "Special assistance, general" for malaria eradication and \$3,900,000 under the head of "Technical cooperation" for the total of \$23,300,000.

The committee recommends that within the sums allowed a total of \$23,300,000 be used for malaria eradication.

With that statement as the background, I should like to inquire of the distinguished chairman of the committee, first, whether the language of the authorization act excludes the granting of loans from the Development Loan Fund for malaria-eradication purposes, and, secondly, whether such loans, if it is legislatively permissible to grant them, must be within the \$23,300,000 ceiling for this item.

I have discussed this matter privately with the Senator. I was hopeful the Senator might be able to give us a definitive statement as he sees it, as chairman of the committee.

Mr. GREEN. I have thought this matter over, as my distinguished colleague has suggested. My answer is this: The present language of section 420 may indeed be subject to more than one interpretation. I believe it was not the sense of the Foreign Relations Committee nor, I believe, of the conferees, to exclude consideration of sound requests for loans for malaria eradication purposes under title II of the act. I interpret the last sentence of section 420 to place a ceiling of \$23.3 million on the funds to be expended for this purpose from all portions of the act other than from title I, chapter 1 and title II. It is, of course, hardly likely that title I, chapter 1 funds, which are military funds, would be used for this purpose.

Mr. HUMPHREY. To summarize the matter as we see it, title I, chapter 1 funds, as the chairman has said, are military funds, so obviously they would not be available for the malaria eradication program. Title II funds are loan development funds, and therefore it may be possible, within the legislative intent of the Congress, under title II, if additional funds are needed on a loan basis—not on a grant basis, but on a loan basis—to obtain such funds.

Mr. GREEN. There is involved the construction of ambiguous phraseology. With that statement in mind I think the funds could be obtained.

Mr. AIKEN. Mr. President, will the Senator yield?

Mr. GREEN. I yield for a question.

Mr. AIKEN. I should like to say to the chairman of the committee that I have devoted much thought to the proposal which has been made to add to the malaria control funds. It seems to me that is one of the most worthwhile projects in which we can engage. However, with this program, and with the appro-

priation of \$23.5 million, which it is estimated is required to meet the rock-bottom needs, it seems to me that the program could be put into effect. Then if it should develop that the money was not sufficient to meet the needs, I, for one, would be in favor of making foreign currency available to supplement the appropriation in those countries whose currency could be used for that purpose. I think we should watch this program carefully and review it the early part of next session, because we certainly want to do all we can to stamp out malaria.

Mr. GREEN. I thank the Senator. I think he has made a very valuable suggestion.

Mr. SALTONSTALL. Mr. President, will the Senator yield?

Mr. GREEN. I yield to the Senator from Massachusetts.

Mr. SALTONSTALL. As a member of the Appropriations Committee, I may say to the Senator from Minnesota that when the subject was before the Appropriations Committee in connection with the appropriations bill, but not the authorization bill, it was my belief that not only could defense support funds and technical assistance funds be used, but also special assistance funds, which the President may use for any purpose he desires. It is my understanding—and the junior Senator from Rhode Island is on his feet and is familiar with this subject—that some of the \$100 million of the President's special assistance fund was planned to be used for this purpose. So, regardless of what the authorization bill provides, it would not, in my opinion, cover the special assistance fund, which can be spent completely at the President's discretion.

Mr. HUMPHREY. I wish to thank the Senator from Massachusetts for that observation, and I concur in it. As the Senator from Vermont has said, there are substantial amounts of foreign currency available which would be eligible for loan purposes, as well as funds under the loan development fund, to fight a battle for the health of the world by eradicating malaria, which is one of the great scourges of mankind. It seems to me we ought to have the broadest construction of the authorization language—that it means what the Senator from Massachusetts and the Senator from Vermont have indicated by their questions and comments.

Mr. SALTONSTALL. I do not want to mislead the Senator from Minnesota or the Senator from Rhode Island; but, from the discussions in the committee, I had pretty much the opinion that counterpart funds which were available and free were planned to be used in the program. Whether some of those currencies have been planned for use in malaria-eradication work I cannot say. That subject did not come up in detail, except that it was pointed out the foreign currencies which were available had been pretty well programmed.

Mr. AIKEN. If the Senator from Rhode Island will yield further, I should like to state it is my feeling that after the program is put into effect if it should develop it is inadequate and that title I

funds are not available, then when the next session convenes we should take steps to make the foreign currency available in those countries where we have the use of such currency, to insure the adequacy of the antimalaria program.

Mr. GREEN. That effort might be made.

Mr. AIKEN. Yes. If the law is not interpreted as some think it should be interpreted, to permit the use of title I funds, then we should make the foreign currencies available.

Mr. STENNIS obtained the floor.

Mr. HUMPHREY. Mr. President, will the Senator yield?

Mr. STENNIS. Mr. President, I yield to the Senator from Minnesota.

Mr. HUMPHREY. I am very grateful to the Senator from Mississippi for yielding, because this relates to the item under discussion.

MALARIA ERADICATION AUTHORIZATION AND APPROPRIATIONS

In connection with the item on malaria eradication, a legal question has arisen since the enactment of the Mutual Security Authorizing Act, too late for interpretation in the House or in the Senate Appropriations Committee. I am informed that it is very vital that the proper interpretation of the language of the last sentence in section 420 be established on the floor of the Senate to make clear what was apparently a unanimous intention of the conferees on the authorizing bill: That the \$23,300,000 mentioned would be a limitation upon the grants that might be made under the act from defense support, bilateral technical assistance, and special assistance, general.

As proposed by the executive branch, the last sentence read "Funds made available pursuant to authorizations contained in this Act," etc. The Senate Foreign Relations Committee, feeling this language was too broad, asked ICA to provide a definite, illustrative figure. It was pointed out that the \$23.3 million was the amount programmed, and the Foreign Relations Committee inserted the words "not to exceed" at the beginning of the sentence.

When the House Foreign Affairs Committee realized the legal implications of this language, which, because this was not a separately authorized item, would not permit its augmentation by 20 percent, if necessary, as other separately authorized items are permitted to benefit from section 501, they sought to insert substitute language for this sentence; but by an inadvertent error on the part of the committee staff the whole sentence was stricken. The committee made no effort to correct the language on the floor of the House, with the intention of correcting it in conference. The question was raised in conference by Representative JUDD, the Senator from Alabama [Mr. SPARKMAN], and others, and in spite of the unanimous sentiment of the conferees that the language be improved, the conference committee was faced with a possible point of order on the House floor against the entire conference report, if substitute language were adopted, since the House rules do not permit a third alternative

in language in addition to the alternatives of the House and Senate language.

The existing language can be interpreted in either of two ways:

First. That the limitation "not to exceed" would apply to all portions of the act other than title I, chapter I, and title II; or

Second. The limitation of \$23.3 million would represent a ceiling for all expenditure of mutual security funds from any source within the mutual-security program.

I submit it was the general understanding of the Congress that the ceiling imposed was a ceiling on grants and not intended to exclude the use of title II for supplementing this illustrative figure, if, upon application by a foreign government, the ICA found it desirable to grant loan requests for this purpose.

It is most important to the program to establish the sense of the Congress along the lines of alternative one, namely, that the malaria-eradication program can be expanded or developed over and beyond the \$23,300,000 by the use of loans under title II, or from the President's special fund. Also funds in the form of local currencies, resulting from sale of agricultural commodities under the terms of Public Law 480, shall be available for use to implement the malaria-eradication program. The figure of \$23,300,000 refers to dollars grants—not loans under title II or Public Law 480 currencies.

I ask unanimous consent, Mr. President, to have printed in the RECORD a statement by Dr. Eugene P. Campbell, Acting Chief, Public Health Division of the International Cooperation Administration on Malaria Eradication, along with excerpts from the statement of Charles L. Williams, Jr., made at the time of presentation of this particular budget item on malaria eradication, setting forth the malaria-eradication program as presented by the International Cooperation Administration to the Senate Committee on Foreign Relations, as well as a summary of the malaria-eradication program.

There being no objection, the matters were ordered to be printed in the RECORD, as follows:

STATEMENT BY EUGENE P. CAMPBELL, M. D., ACTING CHIEF, PUBLIC HEALTH DIVISION, INTERNATIONAL COOPERATION ADMINISTRATION, ON MALARIA ERADICATION, BEFORE THE SENATE APPROPRIATIONS COMMITTEE

Senator CARL HAYDEN posed the following question, and asked Dr. Campbell to prepare an answer, and to testify before the committee:

"What is the possibility of using counterpart funds, especially Public Law 480 funds, in the prosecution of the malaria eradication project?

"Mr. Chairman, the answer is the Public Law 480 funds can be used and to the best of our judgment we have planned for their use to the maximum extent.

"There remains, however, the need for the use of 23.3 million dollars for insecticides, house spraying equipment, some automobile equipment and some expert technical advice, items which cannot be purchased with local currency.

"To give a more complete answer to this question, we should like to insert into the

record a full description of this project, as well as a short summary statement prepared for this committee by Dr. Charles L. Williams, Jr., in my absence.

"The studies for this project necessitated making contact with the proper authorities in more than 60 countries, as well as the staffs of such international organizations as the Pan-American Sanitary Bureau, World Health Organization, and the United Nations Children's Fund. These contacts have been maintained throughout this study period, in order to make certain the nature and amounts of the resources needed to achieve success in this project.

"It quickly became evident that, although 88 member nations of the WHO ratified the resolution of 1955 to eradicate malaria, success cannot be achieved unless this Government makes a substantial and effective contribution.

"We find in the lesser developed countries, where malaria is most prevalent, that the governments of these countries are able to contribute local funds to cover the cost of labor, local administration, and other miscellaneous costs.

"These same lesser developed countries do not manufacture insecticides, house spraying equipment nor automotive machinery, and are not able to supply the dollars to procure these manufactured products, which one finds mainly produced in this country. They cannot be purchased with Public Law 480 currency, it takes dollars. Our contribution of these dollars is extremely important and essential to success. Making available larger amounts of local currency will not decrease the need for dollars. A few illustrative examples of unit cost data are given in exhibit I of Dr. Williams' summary statement.

"There are a few countries, such as Bolivia, Pakistan, Laos, and India where there will be a need for additional local currency. This local currency can be provided and we have planned for some to be provided through the operations of Public Law 480. You will see in the full description of this project, beginning on page 123 of the presentation book with the heading "The Fiscal Year 1958 Program," a statement regarding the financial aspects of this project. In addition, in table 2, on page 132, under "Loan Capital," you will note that \$12.9 million equivalents, or approximately 10 percent of the first year's worldwide needs, would come from Public Law 480 loan capital.

"The \$23.3 million is a bedrock figure for the dollar needs of the program. From a total of more than \$44.0 million in valid requests for the first year of operations, we have sheared the amount down to \$23.3 million for a variety of reasons; such as: inadequate local administrative machinery to carry out the program; first-year limitations on the availability of trained personnel; tolling-up time; the ability of our own manufacturers to meet peak requests, etc.

"We are confident that we have presented a solid rock-bottom proposal which makes sense administratively, technically and financially. There is an element of urgency in this matter due to the fact that mosquitoes are developing resistance to insecticides in some areas. If, through lack of dollar funds, we are required to move too slowly with this project, a serious resistance problem is certain to develop and eradication may become economically impossible. As a public health physician, I should like to express my feelings and those of my colleagues that it will cause us deep and serious concern and possibly may cause irreparable damage to this great project if sufficient funds are not provided under special assistance so that the full amount of \$23.3 million can be made available to carry out this most important program."

EXCERPTS FROM A STATEMENT BY CHARLES L. WILLIAMS, JR., M. D., ACTING CHIEF, PUBLIC HEALTH DIVISION, INTERNATIONAL COOPERATION ADMINISTRATION, ON MALARIA ERADICATION, BEFORE THE SENATE APPROPRIATIONS COMMITTEE

Malaria is the world's greatest health problem, attacking more than 200 million persons a year in some 60 countries and territories of the world, and is responsible for killing more than 2 million people—equivalent to destroying a city the size of San Francisco yearly. It is a main cause of chronic anemia, physical disability, and mental lethargy, resulting in low productive capacity of labor and retarded economic development.

The United States, through the bilateral programs of the International Cooperation Administration and its predecessor organizations, has been engaged in an attempt to control and minimize this disease in some areas of the world for 14 years. Now, for the first time, with the discovery of insecticides such as DDT and dieldrin and the perfection in house spraying in malarious areas, the opportunity presents itself of eradicating rather than merely controlling this disease. The feasibility of eradication has been definitely established by the success of the programs to eradicate malaria which have been carried out in the United States, Venezuela, Puerto Rico, Italy, and other countries.

As long ago as 1955, a proposal to attack and eradicate the disease on a worldwide basis was advanced in the World Health Organization Assembly in Mexico City and was subscribed to by all the member nations, including the United States. During the last 2 years, however, studies have indicated an increasing resistance of the malaria-carrying mosquitoes to the new insecticides which means that we must move immediately in a major effort if the opportunity is not to be lost. Active research is underway by many interested manufacturers to discover new and more efficient insecticides, but the results of this research are little more than hopes at this time.

In 1956, a detailed study and analysis of eradication was made by the International Development Advisory Board, utilizing the services of America's top malarologists. The recommendations contained in their report are in essence that the United States Government through the ICA embark on an expanded program of malaria eradication over the next 5 years in collaboration with the various international organizations already engaged in this activity.

The International Cooperation Administration has made an intensive and extensive study of malaria eradication and finds that it is technically and administratively feasible to achieve this goal. A proposal has been developed which outlines the salient technical features, points out the legal necessities and estimates the funds needed over a 5-year period of United States participation. If there is no objection, we should like to include in the record the full description of this program as it appears in the nonregional presentation volume, pages 119-132.

Aside from purely technical considerations, three important conditions must be met if success is to be achieved:

1. The program must be truly interregional as well as intraregional for the malaria-carrying mosquito recognizes no political boundaries. Fortunately, the international organizations such as the World Health Organization and the Pan American Sanitary Organization have effective collaboration with governments in areas where ICA programs do not exist.

2. The program once begun must be carried through to its completion. Eradication is an all-or-nothing matter.

3. The program will succeed only through a major concentrated effort within the minimum time limit in which the United States joins its resources and technical competence with other nations and international organizations in a carefully coordinated single and, at the same time, joint attack on this scourge.

For practical purposes, the 5-year target for malaria eradication is sound and, on the basis of our best estimates, the total cost—excluding Africa south of the Sahara and 1 or 2 other inaccessible places—will be approximately \$515 million over a 5-year period.

It is anticipated that the governments of the malarious countries will spend the equivalent of approximately \$364 million from their own resources. The World Health Organization, the United Nations Children's Fund, and the Pan American Sanitary Organization will be able to spend approximately \$42 million. We are proposing that the United States be prepared to provide the balance of up to \$108 million which will be required to do the job and which must be forthcoming from other than the above listed sources. (See table 1.)

For fiscal year 1958, the first year of the 5-year program, we are requesting \$23.3 million for malaria eradication purposes including the conversion of present control programs to eradication, the institution of new bilateral programs, and appropriate contributions to the eradication activities of the international organizations, WHO and PASO.

The specific amounts to be requested in future years will depend in each instance on annual assessments of accomplishments to date. It should be noted at this point that malaria eradication is more costly in the short run than malaria-control programs which have averaged something over \$10 million annually for the last several years. In the long run, however, the advantages of eradication from a financial point of view are obvious when compared with the indefinitely continuing cost of control. Some illustrative unit cost information is attached as exhibit I.

Personal requirements for this program have been carefully studied. We now have 19 trained technicians working in 13 countries and 1 working in Washington. We estimate it will be necessary to increase this number to approximately 40 to work in 24 countries during the peak year of activity, 1960 or 1961. It will also be necessary to employ four persons in Washington.

As we achieve eradication in various countries and the host country nationals can assume all the continuing responsibilities, certain of the Americans will either be moved to other areas or be returned to the United States and to their former occupations. The grades for these technicians will range between FSR-7 through FSR-2 with the greatest need at the FSR-5 level.

This is a completely unique moment in the history of man's attack on one of his oldest and most powerful disease enemies. Failure to proceed energetically might postpone malaria eradication indefinitely. A strong push now would undoubtedly be an excellent investment for all concerned, including the United States. We, therefore, are requesting in the Mutual Security Act for fiscal year 1958 the authority to utilize funds available in the act in such amounts and through such means as may be required to move forward energetically with this program in fiscal year 1958.

MALARIA ERADICATION PROGRAM

I. SUMMARY

Funding

[In millions of dollars]

SPECIAL ASSISTANCE (TITLE IV, SEC. 420)

Bilateral programs:

India	5.0
Indonesia	3.0

Undistributed by country:

Near East and South Asia	2.1
Far East	.2
Latin America	2.1

Contributions to multilateral organizations:

World Health Organization	5.0
Pan American Sanitary Organization	2.0

Subtotal

19.4

OTHER PROGRAMED SOURCES

Near East and South Asia	1.8
Far East	1.8
Latin America	.3

Subtotal

3.9

Total request

23.3

The program in brief: The following is a proposal that the United States Government, through the International Cooperation Administration, participate in a 5-year worldwide program to eradicate malaria in collaboration with the nations of the free world and the World Health Organization, the Pan American Sanitary Organization, and the United Nations Children's Fund.

Economic aspects: Malaria is one of the greatest deterrents to economic progress, being responsive for low labor efficiency, high absentee rates, low rate of capital investment, low learning capacity, and neglect of natural resources.

The conversion of present malaria "control" programs to malaria "eradication" will increase the per capita costs during a 5-year period, but the savings after this period will more than pay for the increase by making continued control expenditures unnecessary.

Technical feasibility: The technical practicality of malaria eradication is attested to by the Public Health Division of ICA, the United States Public Health Service, the International Development Advisory Board, the World Health Organization, the Pan American Sanitary Organization, and the United Nations Children's Fund. Furthermore, unless this unique opportunity is exploited without delay it may be lost due to development by mosquitoes of resistance to the insecticides that now make eradication technically and economically possible.

Political value: Antimalaria work has repeatedly proved to be one of the most highly welcomed and appreciated activities by the large numbers of people benefited. This program would be certain to win tremendous numbers of friends for the United States at all levels.

Program participation: The actual participation of more than 60 free nations to date and the declared intentions of most nations at the 1955 World Health Assembly meeting justifies the anticipation that other countries will participate in the funding of this program on a basis of 3 to 1 or better in the next 5 years. (See table 2.)

II. NEED FOR THE PROGRAM

Malaria—Its widespread distribution and incidence

Malaria is the world's greatest health problem, attacking some 200 million persons in 1955 in 135 countries and territories of the

world and directly killing some 2 million people. More important than its relatively low death rate, malaria tends to cause chronic anemia, physical disability, and mental lethargy.

Malaria is primarily, but not exclusively, a rural disease occurring throughout the tropical and subtropical areas of the world with varying intensity. Excluding tropical Africa (except Liberia and Ethiopia) 618 million people in 60 countries of the free world are presently living in malaria-infested areas.

Malaria is an acute parasitic disease spread by certain species of mosquitoes and characterized by intermittent episodes of incapacitating chills and fever due to the simultaneous rupture of large numbers of red-blood cells. Untreated, the initial attack will burn itself out in a few weeks, but may leave a nest of parasites in the body, giving rise to recurrent acute attacks over a period of years. Except among primitive peoples subjected to repeated infections from birth, no substantial immunity is produced. Consequently, over the years there may be a piling up of new infections upon old, producing progressive anemia and disability.

Significant characteristics of the disease, therefore, are (1) that it is easily spread from infected persons to large numbers of others by the bite of particular types of mosquito, (2) that it has an incapacitating acute phase sometimes spread over a period of weeks, and (3) that it produces progressive anemia and debility through recurrences and reinfection.

The economic significance of malaria: Malaria has an adverse effect on industry, agriculture, education, economic development, private investment and, indeed, on almost every type of human activity. No aspect of the economic and social life of a malarious community is immune to the effects of this disease. It is a major cause of high medical costs, low labor efficiency, low learning capacity, high absentee rate, low rate of capital investment, neglect of natural resources. For example, the Creole Petroleum Corp. in Venezuela estimates that the cost to the company in the period 1940-46 from malaria in a camp employing 1,400 was over \$400,000 a year. In 1947, a DDT-spraying program costing approximately \$50,000 a year was started and within 2 years malaria virtually disappeared, at a net saving of \$350,000 a year.

Prior to malaria eradication in the United States in 1946, it was conservatively estimated that this disease cost the United States economy \$500 million a year. We have now been free from the economic drain for a decade resulting in a saving of some \$5 billion. However, malaria is still costly to the United States and other nonmalarious countries. For example, the United States draws 60 percent of its imports from, and sends 40 percent of its exports to countries where malaria is prevalent. Malaria control among laborers who produce the goods purchased by the United States requires on the average at least 5 percent of the annual production budgets. This constitutes a hidden malaria tax of more than one-third billion dollars paid annually by the United States on its imports. The total value of the business lost to American exporters because of the poverty directly due to malaria is certainly huge.

Antimalarial progress to date: There is evidence of the existence of malaria since earliest recorded history, and it is very possible that this was a major cause in the obliteration of such civilizations as the Mayan (Yucatan) and that of Angkor Wat (Cambodia). Similarly, there is substantial evidence that malaria was an outstanding factor in the fall of ancient Greek and Roman civilizations. It was one of the principal reasons for the failure of the French attempt to build a canal across Panama; it immobilized whole

armies in Macedonia in World War I; and it reduced the fighting forces in New Guinea for a few months early in World War II to 10 percent of their strength.

With the discovery, 1897-98, of the role of the anopheline mosquito as an essential link in the transmission of malaria, a way was opened to control the disease. This was at first based on (1) preventing the adult mosquito from biting man, and (2) interrupting the growth of the mosquito by eliminating, modifying, or poisoning its breeding waters. Through these means, malaria was eradicated in the more temperate areas of the United States and northern Europe, and brought under partial control in the southern part of the United States, in Italy, and in many localized areas. Although these measures were applied intensively, malaria remained an important cause of illness and disability even in the United States and northern Europe up until World War II.

During World War II, it was discovered that the chemical dichlordiphenyl trichloroethane (DDT) possesses a remarkable ability to kill insects on short contact, and that when sprayed on surfaces such as walls, the killing power of its residue is often sustained for many months.

The discovery of this highly potent, relatively inexpensive, and easily handled insecticide, and other closely related compounds, opened a new era in malaria control. These toxicants have been the chief agents in the eradication and mass control of malaria over a rapidly widening area. Indeed, it is now possible to eradicate the disease from entire continents.

Control against eradication: DDT residual spraying is a simplified and highly effective method of dealing with malaria and it makes feasible the extension of control to the point of eradication.

From the technical standpoint, control involves the reduction of the number of cases in an area to a point at which they no longer create a severe health problem. But ordinary control permits the disease to persist within the area, necessitating continuous activity and expenditures and allowing the chance of occasional sharp epidemics. There is usually only partial and spotty coverage and there is no foreseeable end to control activity.

In 1955 the governments of 58 countries appropriated funds for malaria control activities totaling \$41 million. Plans calling for increases in appropriations to \$44 million in 1956 attesting to the concern with which these countries, for the most part the poorer underdeveloped countries least able to afford such an economic drain, view this problem. The United States has been active in malaria control demonstration operations and training for as long as 14 years in the case of some Latin American countries. The ICA in fiscal year 1956 assisted malaria control activities in 21 countries. The assistance takes the form of provision of various types of experts, training of nationals in their own country or in the United States, surveys and necessary materials and equipment. The total amount budgeted by ICA for fiscal year 1956 was approximately \$12 million; it is estimated that \$8.7 million will be obligated in fiscal year 1957.

In spite of these efforts and those of international organizations (the World Health Organization (WHO), the United Nations Children's Fund (UNICEF), the Pan American Sanitary Organization (PASO), and the United Nations Technical Assistance Fund (UNTA)), there are still 289 million people living in malarious areas of the free world (other than central Africa) who will not be receiving protection.

Malaria eradication, as opposed to control, means the planned progressive elimination of the disease. For the first time, this has become possible through the use of DDT and

other new insecticides. Sprayed once or twice a year on surfaces where malaria-carrying mosquitoes rest before and after feeding, these insecticides will destroy the infected insects and completely stop malaria transmission. When transmission has been prevented for three consecutive years in a country, most of the malaria parasites will die off or be killed by therapy, and so few will be left in the blood of the people that the disease can no longer maintain itself. Generally, it takes 4 years of spraying and 4 years of surveillance to make sure that transmission has not occurred in three consecutive years in an area. After that, normal health department activities can be depended upon to deal with occasional introduced cases just as they now remain on guard against smallpox, cholera, and other diseases formerly so common. Therefore, to eradicate malaria there must be an attack so effective that no mosquito transmission occurs for three consecutive years. This has been proved to be possible in many areas. For example, malaria is being eradicated in large parts of the Philippines, Thailand, Formosa, Ceylon, Greece, India, and in many Latin American countries. Nation-wide eradication has been almost completely accomplished in the United States, Puerto Rico, Chile, British and French Guiana, Mauritius, Cyprus, Italy, and Venezuela.

Recent annual average costs of malaria control by residual spraying measures, estimated by WHO as per capita of those protected, have been as follows:

Region:	Cost, United States currency
African	\$0.41
American	.455
Eastern Mediterranean	.20
Southeast Asian	.11
Western Pacific	.175
European	.20

To these figures, 10 percent should be added for increased costs of total eradication. It should also be noted that surveillance costs, during the last phase of an eradication project, are less than the costs during the residual spraying phase.

Before DDT, rural malaria control cost over 75 cents per capita per year. The expensive control did not eradicate but merely reduced the numbers of cases to bearable levels. Therefore, most underdeveloped countries could not afford widespread malaria control and none could plan for eradication. Now, despite increased labor and other costs, the use of DDT and related poisons requires only about 25 cents per capita per year to eradicate malaria completely. The economy of a project of 4 years of residual spraying plus 4 years of surveillance as contrasted with old methods of control is obvious.

Today with these new insecticides the choice, as pointed out earlier, is between control and eradication. Eradication involves heavier initial expense than does control. But control not only has no foreseeable end; it also introduces the risk of mosquito resistance, the development of which would force a return to prewar methods that are too expensive for underdeveloped nations to use in their extensive rural areas.

Urgency of undertaking program: Eradication is economically practicable today only because of the remarkable effectiveness of DDT and related poisons such as dieldrin. This dependency on the chlorinated hydrocarbons introduces a note of relative urgency because the mosquito carriers of malaria are beginning to develop resistance to these insecticides in some areas. Of the more than 50 species that transmit malaria, 7 now show such resistance in some parts of their range and others will undoubtedly develop resistance within a year. DDT resistance has appeared after 6 or 7 years of continuous exposure and dieldrin resistance has now appeared in 1 case after only 18 months'

exposure. In numerous cases no resistance has appeared in 11 years of exposure. But if countries, due to lack of funds, have to proceed slowly, resistance is almost certain to appear and eradication may become economically impossible unless substitute insecticides are found. Time is of the essence.

This is a unique moment in the history of man's attack on one of his oldest and most powerful disease enemies. Failure to proceed energetically might postpone malaria eradication indefinitely. A strong financial push now would undoubtedly be an excellent investment for all concerned, including the United States itself.

III. THE PROGRAM

The 5-year concept: In 1955, the World Health Assembly unanimously adopted a resolution giving top priority to the support of malaria eradication. More than 60 free world nations have malaria within their borders. Although nearly all of these nations have embarked on eradication programs, they are, for the most part, not economically able to wage an effective war against this ancient enemy.

Since the World Health Assembly action in 1955, pressure and enthusiasm in the underdeveloped countries has continued to mount. This pressure has reflected itself in the increased antimalaria activities of the international organizations, notably the WHO, UNICEF, and the PASO.

However, it is clear that in order for this great goal to be realized, the United States must spark an all-out effort, utilizing all available resources, national and international. The proposed program provides for such an effort and, if adequately supported and energetically prosecuted by all elements, should result in the eradication of this dread disease in many areas within 5 years' time.

For practical purposes, the 5-year target appears sound providing it is understood that there will be a tooling-up period followed by a peak of activity and then a tapering off into surveillance. This may require less than 5 years in some areas and more than 5 years in others. For example, eradication will be accomplished most readily in the Western Hemisphere and more slowly in the Eastern Hemisphere. Eradication programs in a few countries may require United States support beyond the 5-year period. However, maximum participation by the United States will be concentrated in the period from fiscal year 1958 through fiscal year 1962.

In a very rough way, the program might be conceived as first bringing about a series of islands of eradication, the borders of which are gradually pushed back and enlarged until they come together and give full protection. These islands of eradication will at first be more numerous in the Western Hemisphere because the United States is the largest land mass where eradication has been achieved.

Achievement of eradication within the time limit will require maximum support from national and from international sources. It is neither necessary nor possible for any one or even two of the above sources to supply all the resources—technical, financial, and otherwise—to carry out the program. Eradication will be achieved through the implementation of a carefully programmed and carefully coordinated single plan for each country involving maximum contributions from bilateral and multilateral sources. Specifically, as seen in table 2, the 5-year program will require \$515.2 million from all sources; \$364.8 million (including Public Law 480 local currencies) to be supplied by the beneficiary governments; \$108 million to come from the United States through bilateral programs and in the form of grants to the international organizations; and the remaining \$42 million from WHO, PASO, and UNICEF.

The fiscal year 1958 program: For fiscal year 1958, as the first year of the 5-year program, the following participation is anticipated by free world nations and international organizations and proposed for the United States.

Unilateral: In fiscal year 1956 the 60 nations of the free world in which malaria is a problem expended approximately \$44 million in antimalaria activities. In fiscal year 1958 it is anticipated that this amount will increase to approximately \$61 million. In the first year almost 60 percent of the malaria-eradication program will be funded by the local governments affected.

Bilateral: United States participation proposed for fiscal year 1958, the first year of the 5-year eradication program, totals \$23.3 million. Of the total of \$23.3 million, we are requesting \$3.9 million within individual country programs justified in the regional sections of this presentation. The balance of \$19.4 million is requested as a special item for malaria eradication within the special-assistance category. This compares with \$10.2 million of MSP funds programmed in fiscal year 1957 of which \$8.7 million was for going programs in malaria control and \$1.5 million was for a special grant to the special malaria fund of the Pan American Sanitary Organization (PASO). In fiscal year 1956 a total of \$11.9 million was programmed for going programs of malaria control.

For maximum flexibility in continuing the proposed program it is most important that not only the \$3.9 million justified in country program presentations but also the \$19.4 million of special assistance funds be available for use in approved programs without reference to the limitations inherent by virtue of their being technical cooperation, defense support, or special assistance. The executive branch is requesting language in the authorizing act to accomplish this.

The previous training and demonstration aspects of technical cooperation in many of the going programs has now progressed into the beginnings of malaria eradication with its greatly increased funding requirements for bulk amounts of insecticides, spraying equipment, vehicles, etc. It should be noted, however, that the elements of training and demonstration will continue to be involved in malaria eradication programs so that some of the funds requested are retained in the technical cooperation category.

Within the \$19.4 million item, \$4.4 million will be used to convert the present going control programs mentioned above to eradication programs. (See illustrative distribution by country in table 1.) \$7.0 million will be used for contributions to those multilateral eradication programs described in succeeding paragraphs. The balance of \$8 million will be used for bilateral programs in India and Indonesia.

It should be emphasized that bilateral assistance is provided only on request of the host governments. It takes the form of provision of various types of experts, training of nationals both in their own country and in the United States, surveys, and necessary materials and equipment. It should be noted that more than 50 percent of the cost of malaria eradication is for insecticides, material and equipment, most of which comes from the United States.

Multilateral: The goal of malaria eradication will require maximum effort on the part of international as well as national agencies. Even if it were not necessary to do so, there are definite advantages to the United States in supporting the multilateral agencies' programs in malaria eradication. The multilateral programs offer the advantage to be gained from clear demonstration of the United States desire to assist and participate without dominating. Furthermore, it makes possible desirable results in areas and nations with which the United States is not directly working through the ICA. As a side

effect, international programs offer the opportunity to utilize needed technical skills possessed by nations of other countries which are not available to bilateral programs. Thus active participation in multilateral programs can have real benefits supplementing the more direct bilateral assistance, and the need for proper balance between the two approaches becomes clear.

WHO: The WHO has endorsed the concept of eradication and is providing coordination to the eradication activities of the governments and the several agencies concerned. The nucleus of personnel required is available and is being rapidly expanded through active training programs conducted under a variety of auspices. In order to facilitate the work in malaria eradication, the WHO has established a special malaria fund to which any of the 88 member nations may contribute. It is proposed that ICA make available to the World Health Organization's Special Account for Malaria Eradication a total of \$5 million in fiscal year 1958 with a tentative nonobligational agreement for additional funds up to \$12 million divided on the basis of an annual assessment of results and needs during the subsequent fiscal years. (See table 2.)

The United States is proposing to make funds available to the WHO and the PASO in return for a specific service to be rendered, a service that the agency involved alone could render, or could render better than anyone else. It is not proposed that these grants be made available on a matching basis. Payments to WHO and PASO will be made for specific purposes. As such they do not represent the type of contributions to the organization which logically would be made against matching contributions of other Governments. Funds expended for the malaria eradication program through multilateral channels would represent more a payment for a service than a contribution.

Money contributed to the WHO special fund may be used in malafious areas where ICA does not have bilateral programs; success in such a large project requires our participation in the fund; United States participation can be expected to precipitate increased interest and participation on the part of other governments; some of the money will go for top non-American sources of advice and experience which will significantly contribute to the success of the whole program. As stated in the Report on Malaria Eradication by the International Development Advisory Board, such a contribution would be a "clear demonstration of the United States desire to assist and participate without dominating."

PASO: A special problem exists in the Western Hemisphere due to the maturity of our bilateral programs. Stimulated by the desire to place responsibility in local hands, ICA has turned over all bilateral antimalaria programs except one (Honduras) to the local governments. Whereas most of the turned-over programs have been achieving a measure of control, the goal of eradication requires a degree of absoluteness which makes it essential that many of the countries receive outside help.

Six million dollars will be needed in fiscal year 1958 in addition to host country contributions and multilateral agency participation. It is proposed that the United States support malaria eradication programs in this hemisphere by meeting two-thirds of the \$6 million shortfall in dollars and agreeing to the use of up to the equivalent of \$2 million from local currency sources.

(a) Two million dollars to be granted to the PASO's special malaria fund to be used without restrictions within this field of activity. (The United States pledged and contributed \$1.5 million to this fund in fiscal year 1957. On the basis of present estimates and subject to annual assessment of results and needs it is expected that \$6 million addi-

tional will be required during the subsequent 4 years of the program.)

(b) It is recommended that \$2 million of the \$4.4 requested for bilateral programs be used in this area, to be divided according to the population at risk from malaria in the several countries. These sums are to be administered, accounted for and results assessed by ICA Operations Missions in collaboration with PASO and host government officials.

(c) The balance of the shortfall, the equivalent of approximately \$2 million, can be secured through available local currency sources such as Public Law 480, private contributions or other local government budgets.

Other international organizations: The UNICEF is devoting a large segment of its funds to the provision of supplies and equipment to governments in connection with WHO-approved antimalaria programs. It has adopted a policy under which it will provide supplies only to programs where eradication is the objective. In 1955, UNICEF allocated \$3 million and, in 1956, \$7 million to the malaria eradication program.

The United States is a member of all the intergovernmental organizations listed above and in each of them has officially supported the concept of eradication and supported the allocation of funds for this purpose.

Other agencies, both governmental (Colombo plan) and private (Rockefeller Foundation) are assisting in malaria projects in amounts that are not known but are relatively small.

The employment of loan capital: In fiscal year 1958, it is expected that local currency from Public Law 480 transactions and other loan capital in the amount of \$12.9 million will be available to the program.

Feasibility of program: Within certain technical limitations discussed below, the eradication of malaria is possible through the use of tried methods, personnel, equipment, and supplies which are now available or could be made available. The only exceptions to this conclusion are certain areas of the world known or suspected to harbor malaria which are relatively inaccessible; for example, tropical Africa and Ethiopia, Borneo, New Guinea, and the Amazon Valley. The situation in tropical Africa is such that eradication cannot be visualized in the immediate future. The other areas are isolated and are not a significant threat to neighboring areas. They present no barrier to undertaking eradication elsewhere. No doubt malaria can and will be eradicated in these areas in due time.

Fourteen years of ICA experience in malaria control demonstration, operations, and training has developed United States technical ability, and even more trained host country technicians. ICA now has 20 trained technicians in antimalarial field positions and 1 financed by ICA/Washington in the United States Public Health Service. Within 2 years of implementation of the eradication program we should have at least double this number of professional personnel on duty in the field and 4 more in Washington. This may require the initiation of training courses for United States technicians, either in this country or in other countries having adequate facilities.

Unforeseen technical problems always arise when new insecticides and new equipment are placed in operation. Through collaboration with the Public Health Service, ICA supports a small but active and effective testing unit at the Public Health Service Communicable Disease Center to study problems of entomology and testing of insecticides and equipment. This unit already has saved the United States Government several hundreds of thousands of dollars. Funds would be provided to expand this project. The problem of insecticide resistance testing also is currently receiving much attention as a part of this project.

The recent studies of the use of chemotherapeutic agents in combination with insecticide house spraying reveals possibilities for the future which must be taken into account through the appropriate research channels.

It is believed that United States industrial resources can be expanded to supply the necessary quantities of insecticides, materials, and equipment for the entire malaria eradication program. Considering that other industrialized nations are also capable of providing insecticides, materials, and equipment, there is a considerable margin of safety.

The proposed program is also administratively feasible. The internal organizational structures of ICA in Washington and the United States operations missions abroad are able in their present form to support malaria eradication programs in those countries having ICA missions. Working through the multilateral agencies will relieve the necessity of instituting new ICA programs in all but a very few countries.

IV. RESULTS OF ERADICATION

Benefits: The benefits to be gained from the proposed program are intensely practical and will advance the general welfare of the United States as well as that of the nations immediately affected. A worldwide program to eliminate the world's greatest single cause of sickness and death will:

1. Help countries and peoples to become stronger, economically as well as physically, through the release of additional effective human energy.

2. Make possible the opening up of additional arable land for economic development—thus reducing, in some nations, the imbalance between population growth and productive resources.

3. Improve the environment for more production of goods and services and for investment of capital, both local and foreign.

4. Encourage political stability by enhancing confidence that progress can be made through existing governmental institutions.

5. Assist in progress toward the worldwide political objectives of the United States by alleviating the distress of many thousands of people.

6. Demonstrate our deep interest in the welfare and human dignity of individual men and women throughout the world.

Examples: The following examples bear witness to the benefits listed above:

Ceylon: The malaria eradication project in Ceylon has opened a wide area of land to economic use. In 1946, the annual malaria incidence was 41.2 percent (2,750,000 cases in a population of 6,700,000). The malaria eradication campaign now covering the affected two-thirds of the island began in 1947. By 1954, the incidence had been reduced to 0.45 percent (37,500 cases in a population of 8,385,000) and over 200 square miles of jungle land has been brought under irrigation, and settled by 91,000 previously landless people.

India (the Terai): Until 1949, attempts to settle and develop parts of the Terai region in northern India were fruitless, owing to the high incidence of malaria. At that time malaria control was begun. As malaria disappeared in the area under control over a 4-year period, new settlement increased the population by 73 percent (from 167,000 to 284,000); the area of cultivated land increased by 400 percent (from 38,000 acres to 162,000 acres), with the value of land rising from nil to between 200 and 300 rupees per acre; production of food grains rose by 130 percent (from 1,551,000 maunds to 2,094,000 maunds); industrial undertakings (especially sugar and vegetable oil mills) rose in number from 11 to 29; construction of a hydroelectric plant brought electric power to villages; and many new homes and schools were built.

Greece: In Greece, the nationwide malaria control program conducted between 1946 and 1951, reduced malaria incidence from an annual average of about 2 million cases (30 percent of total population) to an estimated 10,000 cases in 1950, adding at least 30 million man-days a year to the economy. Due in large part to the opening of new land, through malaria control, annual rice production rose from 5,000 tons to 15,000 tons between 1948 and 1955.

Before the malaria control campaign, Greece spent \$1,200,000 annually (85 percent from scarce foreign exchange) to buy one-fifth of the world's quinine supply. After control, this medical care expenditure was no longer necessary, and the Greek Government disbanded its quinine purchasing unit.

The Philippines: In the Philippines during 1945 and 1946, malaria incapacitated approximately 25 percent of the total national labor force of 8,200,000 for five to ten days per year, and in many instances for longer periods, resulting in an estimated loss of 20,000,000 man-days of labor annually. During 1946-50, the joint United States Public Health Service-Philippines Public Health Rehabilitation Program undertook malaria control throughout the island of Negros (population 1,500,000) and in selected areas elsewhere. On Negros, there was, by 1949, an 85 percent drop in the incidence of malaria, i. e., from 26.47 percent of the population to 3.75 percent; a reduction in daily absenteeism among grade school children from 50 percent to 3 percent; a reduction in estimated man-days lost in industries on Negros from 33 percent of industrial labor force daily to between 2 percent and 4 percent daily; and an estimated increase in the work capacity of labor to the point where a 70-man output per day in 1949 was equal to a 100-man day output in 1946.

The Government of the Philippines is now opening up new areas on the island of Mindanao for settlement. Firms making bids to build highways on the island reduced their bids by one-third after assurance that their workers would be protected by effective malaria control measures. By the end of 1954, 4,600 families had been settled and the program is continuing.

In summary, malaria eradication would be a concrete, relatively inexpensive means of implementing the high goals announced by the President in a speech given in 1953:

"The fruit of success in all these tasks would present the world with the greatest task—and the greatest opportunity—of all. It is this: the dedication of the energies, the resources, and the imaginations of all peaceful nations to a new kind of war. This would be a declared, total war, not upon any human enemy, but upon the brute forces of poverty and need."

Resultant increase in population: The argument of population increase has been advanced against initiation of such programs as the one herewith proposed to eradicate malaria. Briefly stated, the proponents of this view would argue that malaria eradication should not be undertaken since it will result in larger populations in many areas assumed to be already overpopulated.

It should be realized that "overpopulation" is a relative term—relative in relation to the ability of an area to sustain the population. It has been amply and repeatedly demonstrated that the existence of widespread preventable debilitating disease represents one of the most significant deterrents to the increase in the ability of a people and an area to sustain and improve itself—in terms of adequate food production, economic development, or trade. In other words, a "well" area can support many more people than a "sick" area. In addition, the people of a sick area are a dependent people in contrast to people of a well area who become a nondependent and usually an independent

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people. Finally, it must be recognized that the present existence of overpopulation of dependent sick areas in the absence of public-health measures is one of the best evidence of the feasibility of the concept that overpopulation is merely due to public-health activities such as malaria eradication.

The following excerpt from the report of the WHO Malaria Conference for the western Pacific and southeast Asia regions which was held in the Philippines in 1953 is believed to be particularly illuminating:

"The Conference noted that the question of population pressure is exceedingly involved and that its equation with the three main variables of people, energy, and food, is vastly more complex than any present formulation. The Conference agreed that no one knows or can accurately predict what total population the world can support if potential supplies of energy are utilized properly. Moreover, no one can have the necessary prescience or moral authority to decide from which area malaria control

should be withheld for the sake of a presumed benefit that a higher death rate might bring to a community. The Conference emphasized that malaria control is not an end in itself but is to be integrated with other public activities designed to foster community welfare. The Conference believed that where the disease is prevalent, a most important first step towards a sound population policy, a more adequate food supply, and a balanced human ecology, is the elimination of malaria."

TABLE 1.—*ICA bilateral antimalaria programs*

[Thousands of dollars]

	To convert control programs to eradication, fiscal year 1958			Malaria eradication estimates beyond fiscal year 1958				Total
	Control programs	Needed to convert	Total, fiscal year 1958	1959	1960	1961	1962	
	4,820	179	4,999	3,669	2,856	2,501	2,586	16,611
Far East								
Cambodia	50	15	65	155	221	221	306	963
Indonesia ¹	3,160	0	3,160	2,500	1,605	1,000	1,000	9,265
Laos	250	50	300	225	30	30	30	615
Philippines	515	0	515	0	0	0	0	515
Taiwan	0	114	114	89	0	0	0	203
Thailand	15	0	15	0	0	0	0	15
Vietnam	830	0	830	700	1,000	1,250	1,250	5,030
NESA								
Afghanistan	0	0	0	0	0	0	0	0
Egypt	0	0	0	0	0	0	0	0
Ethiopia	850	0	850	500	1,000	1,000	1,000	4,350
India ¹	5,035	1,465	6,500	11,000	9,000	5,000	0	31,500
Iran	0	400	400	400	200	100	0	1,100
Iraq	14	0	14	35	75	100	100	324
Israel	0	0	0	0	0	0	0	0
Jordan	0	0	0	100	100	150	50	400
Liberia	77	85	162	143	141	168	134	748
Libya	35	0	35	35	40	40	30	180
Nepal	322	163	485	500	600	600	500	2,685
Pakistan	500	0	500	1,000	2,000	4,000	6,000	13,500
Latin America								
Special grant ²	236	2,139	2,375	2,375	2,375	2,400	2,400	11,925
Bolivia		2,000	2,000	2,000	2,000	2,000	2,000	10,090
Brazil	100		100	100	125	150	150	625
British Guiana								
Chile								
Colombia								
Costa Rica								
Cuba								
Dominican Republic								
Ecuador								
El Salvador								
Guatemala								
Haiti	75		75	75	50	50	50	300
Honduras	11	139	150	150	150	150	150	750
Jamaica								
Mexico								
Panama								
Paraguay	50		50	50	50	50	50	250
Peru								
Surinam								
Uruguay								
Venezuela								
Total bilateral	11,889	4,431	16,320	19,757	18,387	16,059	12,800	83,323

¹ Due to the complexity of these programs conversion to eradication may extend beyond fiscal year 1958 thus 5,000,000 for India and 3,000,000 for Indonesia have been justified under special assistance (title IV, sec. 420), the balance of 3,900,000 is justified in other programs.

² Grant funds to be made through the existing bilateral programs. Not to be confused with the grant to PASO.

TABLE 2.—*Estimated funding all sources for malaria eradication, by fiscal year*

[In millions of dollars]

	Fiscal year 1956 programs	Fiscal year 1957 programs	Future requirements						Average annual rate 1958-62
			1958	1959	1960	1961	1962	Total	
60 nations of free world (exclusive of United States) ¹	44.0		61.0	69.0	72.0	76.0	47.2	325.2	65.0
WHO	1.1	1.2	2.0	2.0	2.0	2.0	2.0	10.0	2.0
UNICEF	6.6	8.0	8.0	8.0	8.0	4.0	4.0	32.0	6.4
ICA:									
Bilateral programs	11.9	8.7	16.3	19.8	18.4	16.1	12.8	83.4	16.7
Special grant to WHO			5.0	2.0	3.0	4.0	3.0	17.0	3.5
Special grant to PASO		1.5	2.0	3.0	2.0	1.0		8.0	1.6
Total			23.3	24.8	23.4	21.1	15.8	108.4	
Loan capital: Public Law 480 and/or other sources			12.9	8.9	5.8	7.0	5.0	39.6	7.5
Grand total	63.6		107.2	112.7	111.2	110.1	74.0	515.2	

¹ Figures do not in all cases coincide with United States fiscal years.

Mr. HUMPHREY. I conclude by saying that when those statements are read I believe the interpretation made this afternoon, for legislative history purposes, will be found to be accurate and conclusive.

I thank the Senator from Mississippi [Mr. STENNIS] and the Senator from Rhode Island [Mr. GREEN].

Mr. STENNIS. Mr. President, I shall not detain the Senate at length, but I think there are a few further points which should be made concerning this bill.

I regret, that such a far-reaching bill, involving so much money, carrying with it such serious policy questions, is not debated somewhat more at length on the Senate floor, although the membership I am sure is generally familiar with the subject matter.

I wish to express my special appreciation to those who have worked on this bill and on similar bills in prior years, including the Senate Committee on Foreign Relations, which has made a special study of the question during the past year.

Without excluding others or detracting from what others have done, I wish especially to mention the senior Senator from Louisiana [Mr. ELLENDER], whose tireless and far-reaching efforts for the past several years have really given the legislative branch of the Government its first thorough, extensive look at this bill and the ICA operations all around the world, not only with regard to technical assistance but with regard to economic assistance, the military aspects, and all related phases of this vast program.

Regardless of what the vote may have been on any amendment in which the Senator may have been interested, either in the committee or on the floor of the Senate, I can certainly assure the Senator, as a close observer of his work, that I know he has made his ideas felt and that his work has been productive. He has been very, very effective in this effort. The entire Congress owes the Senator from Louisiana a special debt of gratitude for his very exhaustive work and very fine, impartial, nonpartisan, impersonal manner in going about it. I think the influence of the Senator from Louisiana has been felt in the executive branch with regard to this vast program. I commend him highly for his work.

Mr. President, one of the best statements I have seen with reference to the pending bill was made by Representative PASSMAN and is to be found at page 13499 of the CONGRESSIONAL RECORD for August 15, 1957. The statement is certainly worth reading, and I commend it to the intelligent consideration of any Member interested in the subject matter.

I include in my commendation a splendid statement by Representative GARY, of Virginia, which is to be found beginning on page 13517 of the same issue of the CONGRESSIONAL RECORD.

Mr. President, I shall support the House figure on the military assistance phase of the bill, because I feel certain in my own mind that that is sufficient money to support a reasonable rate of

expenditure under the world circumstances now existing.

There has been no occasion for and no argument for a "crash" program. I believe, on the basis of the evidence I have heard and the observations which have been made, that we are feeding these military supplies into the other countries just about as rapidly as they are able to absorb and properly to train their men in their use.

I think the contention which has been made that there has been a lack of money or a lack of appropriated funds or available funds in times past, and therefore the ICA has been unable to supply adequate military assistance where it was actually needed, is not borne out by the facts. For instance, last year, as already brought out by the Senator from Louisiana [Mr. ELLENDER], there was a surplus of the military funds at the end of the fiscal year of \$518 million. That is to be commended, and we are in favor of having a surplus. I commend the administration of the program in that respect. However, it certainly cannot be said at the same time that with that much money left over there was a pinch in the program or an inadequacy of funds to provide a military assistance program of military hardware.

Mr. President, I regret that the Defense Department was not put in charge of the military program as originally outlined in the authorization bill. I think certainly that should be done at an early date. Then the Committee on Armed Services and the subcommittees of the Committee on Appropriations which handle such matters could look at the entire world program together. I believe that is the only way this military program can possibly be brought into sharp focus. Certainly the parts all make up one pattern. It is very regrettable that this matter continues to be considered as a "crash" program to that extent, and the pieces have never been put together in such a way that the Congress or one committee of the Congress could really take an overall look at the entire military program needs, worldwide. I hope that there will be a chance yet to remedy that situation.

I wish also to express an interest in the loan authorization of the bill, which, properly administered, I believe represents a fine step forward. I hope it will be given a trial. There are funds in the bill to cover that phase of the program. It represents a great improvement, which I believe has been brought about largely through a stiffening of legislative opposition to the mutual aid appropriation and authorization bills, which opposition is reflected more and more on the floor of the Senate. I believe the loan development fund feature constituted a direct contribution to the entire program. I also believe that the opposition by the legislative branch, which has not been an opposition to the entire program, but to certain phases of it and to the "crash" program of too much and too fast, has been of great value, and that it can be safely reflected here today in a slowdown and more conservative program by sustaining the House figure in the appropriation bill.

That is what the next amendment on which we shall vote would do. That is the question before the Senate.

Let me mention one phase, to show how far we have gone. The other day I read an article to the effect that the German mark was either already selling, or would soon sell in the markets of the world, at a higher value than the American dollar. I could hardly believe the article was correct, but upon checking into it I found that it was.

Let me repeat, the German mark is so sound from a financial standpoint worldwide, and so much in demand, that it is bringing more in foreign exchange in the money markets of the world than is the American dollar.

Moreover, there are many hundreds of millions of American dollars in the pipeline now for German military aid. I could give the exact figures, but I understand they are classified. There are many hundreds of millions of dollars in the pipeline now for military assistance to Germany, a country whose money is selling at a higher value in world markets of exchange than is the American dollar.

If that money is in the pipeline in accordance with a promise, agreement, or understanding which was made at some time, I am not suggesting that it be taken out. However, it is a definite, concrete illustration of the fact that we have been going too fast. Someone's judgment was not good when we obligated all those funds to that great country—and it is truly great; I am not anti-German. But someone was going too fast, with too much easy money, which was voted on the floor of the Senate, when the appropriation of this enormous sum was made. Before it can be gotten through the pipeline, the German mark is outselling our dollar, which is a classic illustration of what I said awhile ago—too much, too fast, and too recklessly.

Getting down to figures—and I shall not detain the Senate much longer in connection with military aid, which is the only thing involved in this amendment—in the House bill as it came to us there was \$114 million more than was appropriated for the same purpose last year. Of the sum appropriated last year, \$538 million was left over, unused. Those figures were brought out in the Appropriations Committee room; and in my opinion, with due respect to everyone else, they have not yet been answered.

Mr. SALTONSTALL. Mr. President, will the Senator yield?

Mr. STENNIS. Let me complete this thought.

That is why I am supporting the House figure in the bill. Let me repeat, that in the House bill there is \$114 million more than was appropriated for this purpose last year; and of the appropriation last year for this purpose \$538 million was left over and unused. That makes a total of more than \$650 million.

I now yield to the Senator from Massachusetts.

Mr. SALTONSTALL. I merely wished to bring out one point in connection with what the Senator has said in relation to the \$538 million. The evidence

submitted to our committee—and the figures were verified—showed that the unexpended balances in connection with the military assistance program alone, which is what we are discussing, were, on June 30, 1956, \$4,563,000,000; on June 30, 1957, \$4,261,000,000, or a reduction of \$300 million in unexpended balances as compared with the previous year.

We must remember that, as the Senator knows, the lead time required is 2 years. It must be 2 years because of the planning of agreements with the other countries, the building of the equipment, and getting it over there. So when we talk about large unexpended balances we must remember that we have a smaller appropriation of new money this year, and the unexpended balances have come down about \$800 million.

Mr. STENNIS. I thank the Senator, but I answer briefly in this way:

Taking first the figure he gave, of more than \$4 billion in the pipeline at the present time, that means that if we should not appropriate a single dollar this year for military assistance there would be enough in the pipeline to carry on the program at the present rate for approximately 2 full years. I am not advocating, of course, that we eliminate all the present appropriations.

It is undisputed that there was \$538 million left over from the appropriation last year, and the House figure would increase that amount by \$114 million.

The pipeline argument, with respect to how long a time is required to deliver the goods, is highly controversial. One responsible Member of Congress, Representative PASSMAN, chairman of the House Appropriations Subcommittee, made the flat statement that 77 percent of military assistance items, instead of requiring a 2-year pipeline time, require only 90 days. His figure may be a trifle short. However, a great deal of this equipment is equipment which had already been manufactured for our use, which certainly greatly reduces the lead time.

Mr. President, I yield the floor.

UNANIMOUS-CONSENT AGREEMENT TO LIMIT DEBATE

During the delivery of Mr. STENNIS' speech,

Mr. JOHNSON of Texas. Mr. President, will the Senator yield?

Mr. STENNIS. I am glad to yield to the Senator from Texas.

Mr. JOHNSON of Texas. Mr. President, I ask unanimous consent that the Senator from Mississippi [Mr. STENNIS] may be permitted to yield to me for the purpose of proposing a unanimous-consent agreement, with the understanding that the Senator from Mississippi will not lose the floor, that he will not be limited in his statement, and that this colloquy will appear at the close of the Senator's remarks.

Mr. STENNIS. I am glad to yield to the majority leader.

The PRESIDING OFFICER. Is there objection to the request of the Senator from Texas? The Chair hears none.

Mr. JOHNSON of Texas. Mr. President, I should like to propose the agreement that at the conclusion of the remarks of the Senator from Mississippi—may I have the attention of the Senator from Mississippi? I wish to be sure he is protected.

Mr. STENNIS. I thank the Senator.

Mr. JOHNSON of Texas. That at the conclusion of the remarks of the Senator from Mississippi the Senator from Illinois [Mr. DIRKSEN] be recognized for 5 minutes, and that then the Senate proceed to vote on the committee amendment on page 2, line 6.

The PRESIDING OFFICER. Is there objection to the request of the Senator from Texas? The Chair hears none, and it is so ordered.

Mr. JOHNSON of Texas. I thank the Senator.

Mr. STENNIS. I thank the Senator from Texas.

The PRESIDING OFFICER. Under the unanimous-consent agreement, the Senator from Illinois [Mr. DIRKSEN] is recognized for 5 minutes.

Mr. DIRKSEN. Mr. President, this may seem like the 5-minute rule in the House of Representatives; but the time allotted will be adequate.

First, I wish to compliment the majority leader for the fine cooperative spirit he has exhibited, and for his effort in bringing to the floor a satisfactory bill.

I congratulate him also on his 49th birthday. I wish for him length of days, and every one of life's richest and best blessings.

I wish also to compliment those who work in the International Cooperation Administration and the military, who so ably demonstrated their capacity and their knowledge of the job before us. That list includes particularly Colonel Critz, Leonard Saccio, General Counsel of the ICA; John Murphy, Comptroller; John Holcombe, Mansfield Sprague, of the Defense Department, and others. I thought they gave a fine exposition of the bill, and demonstrated to the committee how thoroughly they understood the operation of this program.

It is not necessary for me to speak of the program. I think the program, the efforts of the committee, and the results which came from the committee speak for themselves.

There are only two things I should like to say for the RECORD. First, in connection with the pipeline, it seems to be easily forgotten that those sums represent obligations and commitments made long ago, and that foreign forces are based upon those obligations, quite aside from the new money which is appropriated by the bill. It is sometimes rather distressing that the whole pipeline situation is not adequately ventilated on the floor.

The second thing I should like to say is in response to a statement made by the Senator from Louisiana [Mr. ELLENDEER]. He spoke about the complete dependence of other countries on the United States. I remind him that in the 6 years of this program, from 1950 to 1956, whereas the United States spent \$12.3 billion, the NATO countries spent

\$78 billion. That is a ratio of \$6 of expenditure by the NATO countries for every dollar expended by the United States.

With respect to the \$500 million-odd left over, somehow it seems to be forgotten that that \$500 million was generated through rescreening the program over a long period of time. It is testimony, I think, to the efficiency of the operation, and the careful analysis which has been made, not only by our military leaders, but by the ICA as well.

I think Admiral Radford stated the whole case thoroughly, and I am content to make a part of my remarks the last two statements Admiral Radford made before the committee on Monday, August 19. One is in some detail; the other is general, relating to policy. I ask unanimous consent, therefore, that they be printed in the RECORD as a part of my remarks.

There being no objection, the statements were ordered to be printed in the RECORD, as follows:

STATEMENT BY ADM. ARTHUR RADFORD BEFORE THE SENATE APPROPRIATIONS COMMITTEE ON THE MUTUAL SECURITY PROGRAM, MONDAY, AUGUST 19, 1957

There are several other points which I believe need clarification inasmuch as I am fearful that they have been misunderstood during the course of our hearings on the mutual security program. First among these is the matter of the pipeline or, if you prefer to call it, unliquidated obligations. I would like to discuss this in three parts: first, what the amount is and the efforts we have been making to get it down; second, what the items are that are included in this pipeline and where they are going; and third, to discuss briefly the slightly over \$500 million unobligated balance which has been reported to the Congress.

With respect to the amount of pipeline, or unliquidated obligations, as of the 30th of June the total in the military part of the program was \$4.3 billion. Of this amount, \$538 million was unobligated, therefore leaving under \$3.8 billion as our pipeline of materials and equipment. I would like to call your attention to the fact that this pipeline of slightly less than \$3.8 billion has been steadily decreasing since the peak was reached in 1953, when it was more than double this amount. We have been making great strides in reducing this unobligated balance by making more rapid deliveries and by shortening our administrative and production lead time. In the light of the present world situation, we are approaching what we consider to be an appropriate operating level. Of course, this could be changed by either an increase or a decrease in world tensions.

During the period that we have been providing military assistance to our allies, it has been necessary to procure items of equipment which have varying lead times for production and delivery. The accumulation in the programs of long lead time items has caused the creation of a pipeline. The content of the pipeline varies from missiles and their associated equipment to the more conventional items, such as vehicles and spare parts. The pipeline appears in the presentation which has been made to you by the Department of Defense as unliquidated obligations, but I am sure that you gentlemen realize that this money is all committed for the procurement of specific items of equipment. Too many people misunderstand this point and are prone to believe that the pipeline is simply money in the bank not matched by corresponding debts. This isn't the case. Not

only have contracts been let which would be expensive and wasteful to terminate, but prospective recipients of this equipment have commenced personnel training, the acquisition of real estate if necessary, the reorganization of their forces, and the adaptation of their logistics systems. I am sure that you can see that tampering with equipment now represented by unliquidated obligations would be difficult, uneconomical, and frustrating to our allies.

I would like to give you some of the major items that are in this pipeline at this time. There are over \$1 1/4 billion worth of aircraft, one-quarter billion dollars' worth of ships, one-quarter billion dollars' worth of guided missiles and rockets, and almost \$400 million worth of electronics and radar. This type of equipment takes a long time to produce, most of it averaging out about 2 years; and even though in some instances we take items out of the inventories of our military departments to fulfill these requirements, the military departments are not willing to release the item until they have a replacement off the production line. Of the money we are asking you for today, a relatively small portion will be spent in this fiscal year. The major part of it will be for the delivery of this heavy equipment next year and the year after. We must plan ahead and we must be realistic in that planning.

The \$500 million unobligated balance which the President reported to this Congress about 6 months ago resulted from a thorough analysis of the contents of the military-assistance program as it related to the operating requirements of the allied forces which we are assisting. I am sure that I do not have to remind this committee that changes in the political, military, and economic atmosphere anywhere in the world cause adjustments to this program. There are also the adjustments necessitated by changes in weapons systems. We keep this program under continuous review, and as political balances shift and technological advances occur, the necessary corrections are made.

I should like to also address myself to the reduction in the funds requested for defense support. Although administered by the Department of State and the International Cooperation Administration, these funds are vital to the existence of the military forces of those of our allies who, by virtue of their geographical position with respect to the Communists, must maintain forces far above their economic capabilities. The funds in this program provide that additional assistance which these nations must have if they are to maintain adequate forces without serious damage to their economies. The program which we had originally planned for Korea, Taiwan, Vietnam, Turkey, and Pakistan totals \$700 million or over 78 percent of the total proposed defense support program. The ability of these countries to maintain these large forces is entirely dependent upon United States assistance. The reductions to this program which have been proposed by the House will necessarily affect either their economy or they must reduce their military effort. The present world situation does not justify a reduction in forces, and I'm sure that we would not desire to destroy their economies.

In concluding my remarks, I think I should give you an indication of just what will be the effect on our military assistance program if the full amount of the reduction made by the House is confirmed by this body. The President asked for over \$2.4 billion. This amount was composed of \$1.9 billion of new appropriations and the reappropriation of \$500 million of the funds not obligated in 1957. This amount was requested for the following:

(a) \$345 million to pay the routine costs of operating the program. This amount

covers the costs of shipping the material and equipment which will be ready for delivery during the year, our part of the costs involved in the operations of the international military organizations in which we are members, and other administrative costs.

(b) \$980 million for the costs of maintaining the forces which have already been created. This is nothing more than the spare parts, training, repairs and replacement items necessary to help these "in being" forces maintain their present state of effectiveness.

(c) \$175 million to finance credit sales. This money will be returned to the United States—it is not for grant aid. Many of our allies have the ability to finance their own defense needs. However, some are not in a position to meet all these foreign exchange transactions on a cash basis within a single year. The funds would be used to finance these sales and thus permit the countries to repay us over a period of about 3 years.

(d) \$900 million for that new and more modern equipment which is essential to helping our allies in their efforts to keep pace with the technological advancement being made in the Communist forces. Examples of the weapons included are over 400 aircraft, 17 destroyers and minesweepers with the latest electronics and weapons, over 350 tanks, and equipment for 16 battalions of guided missiles and rockets.

The over \$600 million reduction in military assistance cannot be spread out over all the four parts of the program which were outlined above. First, we must continue to operate the program. Since most of the equipment that will be delivered during the year will result from appropriations of prior years, the fixed costs of operations will not change materially. Second, the \$980 million required for the maintenance of "in being" forces must remain intact—it would indeed be false economy to jeopardize the readiness of forces which have already been created. Third, we have been pressing our allies to share more of the burden of defense costs. Many of these indicated a willingness to help, but they do not have the dollars to pay cash. To reduce the amount earmarked for financing military sales would mean that the allies would not get the needed weapons or that we would have to provide them on a grant basis.

Any reduction, therefore, if the program is to remain effective, must come from the \$900 million intended to assist our allies to improve their forces to meet the Communist threat. Such improvement is in consonance with, and necessary to, our defense plans. This means that our allies, to a large extent, must be satisfied with what they have. And facing these same allies are the Communists who are continuously modernizing and improving their forces. To be more specific, it means that—

1. The Baghdad Pact countries, literally bordering on Russia and having little or no industrial capability, will have to get along with some equipment which was on hand before World War II.

2. Korea and Taiwan must face the Russian equipped Chinese and North Koreans without equal weapons.

3. The great deterrent power of NATO will be weakened. To a considerable extent, the European forces are equipped with World War II equipment. Although their economy has made a rapid recovery, they have not been able to keep up with the United States in the technological advances being made in modern weapons. They look to us for assistance. With the limited funds remaining for this modernization, it will be necessary to drastically reduce the aircraft, guided missiles, and other weapons in the program.

The modernization program should follow an evolutionary process similar to that of

our own United States forces. This reduction in military assistance funds precludes the orderly implementation of such a process.

STATEMENT BY ADM. ARTHUR RADFORD BEFORE THE SENATE APPROPRIATIONS COMMITTEE ON THE MUTUAL SECURITY PROGRAM, MONDAY, AUGUST 19, 1957

I welcome this opportunity to again appear before your committee in support of this year's mutual-security program. Exactly 1 month ago, in my then official capacity as Chairman of the Joint Chiefs of Staff, I appeared before you and stated unequivocally that I thought this program was both necessary and modest and that it was an essential part of our own national security program. I still think so.

Reading the record of the debate on this program which took place last week in the House of Representatives, I am appalled at the fact that we have not been able to put this program in its proper perspective before the American people. I say this because those Members of Congress who argued against the program—or for a greatly reduced program—for the most part sincerely and undoubtedly reflected the views of their constituents. This opposition generally presented the program as a vast boondoggle—poorly managed—a giveaway program reminiscent of the WPA era. When I hear statements like that made by sincere Americans, it worries me. They are just not compatible with the military facts of life as they exist today. The time is past when we could depend on our vast industrial capacity to build a war machine that would pull us through—after an emergency occurred. The time is past when we would be given time to train our reserves of manpower, equip them, and transport them overseas to meet an enemy.

In the next war, whether it be of the global or limited variety, we are going to depend almost entirely on trained forces in being and already in place in the danger spots around the world. That is where our mutual-security program comes in. For the past 9 years, we have been developing a national defense posture which is integrated with, and depends upon—let me repeat that—depends upon—indigenous forces and bases around the world. There are two alternatives to such strategy:

First, United States forces in much larger numbers could take the place of these indigenous forces. In most allied countries, they would be welcomed as visible evidence of our determination to stand with them against the Communist menace; but it would require a major mobilization effort on our part, and nearly every able-bodied young man of military age would spend several years of his life in military service overseas. The cost would be staggering.

Or, second, we could adopt a fortress America concept. In the world we live in today, such a concept is entirely negative and would merely mean that we postponed an ultimate and violent showdown with international communism or, in the long run, would capitulate.

The program of national security which has been followed for the last 9 years is a positive program and has had bipartisan support. It is, in my opinion, the only program which offers us the hope of avoiding global war, and without such a war, of ultimately prevailing over Communist enemies who are still determined to destroy our way of life if they can.

If our national security program is to be changed, let us make the change advisedly and not cover up the facts of life with arguments which avoid or hide the real issues.

I am sure that the mothers—the fathers—the wives—in our country would vote for an

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adequate mutual security program if they understood it. Our mutual security program is not foreign aid—it is not a giveaway program—it is a program which is in the best interests of the people of the United States and their friends and allies of the free world who want to stay free. It does not mean that we hire our friends to do our fighting for us, as the Communists so often charge. It means that each country in the free world is prepared to do what it can to defend itself and counts on the great reserve of power in the United States to come to its assistance when trouble starts.

I do not maintain that our handling of the military aid program has been perfect. As I have traveled around the world in the last 4 years, I have found evidence of mistakes in judgment and in administration. Whenever this happened, I took immediate corrective action if within my field of authority or dispatched recommendations for changes to higher authority.

Let me point out that this mutual security program in its magnitude and complexity is probably without precedent in history. Certainly, it is much more difficult to handle than the lend-lease program of World War II. The personnel of the Defense Department—civilian and military—in Washington and abroad are doing their best to administer the program efficiently. We have made great progress in the last 9 years—and admit there is still room for improvement.

What we cannot admit is that this program can be materially reduced without endangering the entire foundation of the collective security policy the United States has been following for the last 9 years. As I said earlier, if this policy is to be changed, let us make that change the issue straightforwardly.

I am certain there is not one citizen in the United States who wants war. Therefore, I am equally certain that if all our citizens understood the mutual security program for what it is—an important part of our national program to prevent war—they would unanimously vote for it.

Mr. DIRKSEN. I have only one other thing to say. I am delighted that in the military program there was included the sum of \$175 million, which will be used to pay for hardware and military equipment for countries such as Saudi Arabia, Venezuela, and others. All of that money will be repaid to the United States in due course. They do not have the credit or the cash to pay for that equipment, so we must stake them for a while; but that money, which is represented in the military estimate before us, will be repaid in due course to the Treasury of the United States.

If we cut the appropriation for military assistance any further, it will force have to come out of the weapons modernization program. There are countries which have no better than World War II weapons, and, I apprehend, there are some countries which have weapons that even antedate World War II. If they are to reduce their forces, then, of course, they must be equipped with the best weapons we can supply as a part of the mutual-security program, which directs itself to the security and to the survival and to the well-being of the United States of America. That is the justification for it.

I trust that the Senate will support the committee position, which was taken by a vote of 14 to 7. If my time has been exhausted, in accordance with my understanding with the majority leader I am ready to sit down and let the vote be taken.

The PRESIDING OFFICER (Mr. MORTON in the chair). All time for debate has expired. The question is on the committee amendment on page 2, lines 6 and 7.

Mr. JOHNSON of Texas. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The Secretary will call the roll.

The legislative clerk proceeded to call the roll.

Mr. JOHNSON of Texas. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered. The question is on agreeing to the committee amendment on page 2, lines 6 and 7. On this question the yeas and nays have been ordered.

Mr. JOHNSON of Texas. Mr. President, a parliamentary inquiry.

The PRESIDING OFFICER. The Senator from Texas will state it.

Mr. JOHNSON of Texas. The vote now is on the committee amendment on page 2, line 6. Is that correct?

The PRESIDING OFFICER. The Senator is correct.

Mr. JOHNSON of Texas. A yea vote is a vote for the committee amendment; a nay vote is a vote for the House figure.

The PRESIDING OFFICER. The Senator is correct. A yea vote is for the Senate Appropriations Committee's figure of \$1,475,000,000; a vote of "nay" is a vote to sustain the House figure of \$1,250,000,000.

The yeas and nays have been ordered. The clerk will call the roll.

The Chief Clerk called the roll.

Mr. MANSFIELD. I announce that the Senator from New Mexico [Mr. ANDERSON], the Senator from West Virginia [Mr. NEELY], the Senator from Wyoming [Mr. O'MAHONEY], and the Senator from Alabama [Mr. SPARKMAN] are absent on official business.

I further announce that if present and voting, the Senator from West Virginia [Mr. NEELY] and the Senator from Wyoming [Mr. O'MAHONEY] would each vote "yea."

On this vote, the Senator from New Mexico [Mr. ANDERSON] is paired with the Senator from Alabama [Mr. SPARKMAN]. If present and voting, the Senator from New Mexico would vote "nay," and the Senator from Alabama would vote "yea."

Mr. DIRKSEN. I announce that the Senator from New Hampshire [Mr. BRIDGES] is absent because of illness.

The Senator from Maryland [Mr. BUTLER], the Senator from South Dakota [Mr. CASE], and the Senator from Indiana [Mr. CAPEHART] are absent on official business.

On this vote, the Senator from Maryland [Mr. BUTLER] is paired with the Senator from Indiana [Mr. CAPEHART]. If present and voting, the Senator from Maryland would vote "nay," and the Senator from Indiana would vote "yea."

The result was announced—yeas 59, nays 28, as follows:

YEAS—59

Aiken	Bush	Church
Allott	Carlson	Clark
Barrett	Carroll	Cooper
Beall	Case, N. J.	Cotton
Bennett	Chavez	Dirksen

Douglas	Johnson, Tex.	Potter
Flanders	Kefauver	Purtell
Fulbright	Kennedy	Revercomb
Goldwater	Knowland	Saltonstall
Gore	Kuchel	SchoeppeI
Green	Magnuson	Scott
Hayden	Martin, Iowa	Smathers
Hennings	Martin, Pa.	Smith, Maine
Hickenlooper	McNamara	Smith, N. J.
Hill	Morroney	Symington
Holland	Morton	Thye
Humphrey	Mundt	Watkins
Ives	Neuberger	Wiley
Jackson	Pastore	Williams
Javits	Payne	

NAYS—28

Bible	Jenner	Murray
Bricker	Johnston, S. C.	Robertson
Byrd	Kerr	Russell
Curtis	Langer	Stennis
Dworshak	Lausche	Talmadge
Eastland	Long	Thurmond
Ellender	Malone	Yarborough
Ervin	Mansfield	Young
Frear	McClellan	
Hruska	Morse	

NOT VOTING—8

Anderson	Capehart	O'Mahoney
Bridges	Case, S. Dak.	Sparkman
Butler	Neely	

So the committee amendment was agreed to.

Mr. JOHNSON of Texas. Mr. President, I move that the vote by which the committee amendment was agreed to be reconsidered.

Mr. KNOWLAND. Mr. President, I move to lay on the table the motion to reconsider.

The PRESIDING OFFICER. The question is on agreeing to the motion to lay on the table.

The motion to lay on the table was agreed to.

The PRESIDING OFFICER. The bill is open to further amendment.

If there be no further amendment to be proposed, the question is on the engrossment of the amendments and the third reading of the bill.

The amendments were ordered to be engrossed, and the bill to be read a third time.

The bill was read the third time.

Mr. CLARK. Mr. President, I should like to detain my colleague for only approximately 1 minute and a half, in order that I may ask the distinguished Senator from Arizona [Mr. HAYDEN], the chairman of the committee, whether he will be willing to answer a question in regard to section 102 of the bill.

That section now reads as follows:

SEC. 102. No part of any appropriation contained in this act shall be used for publicity or propaganda purposes within the United States.

I have been concerned as to whether that language might be construed as preventing the Government agency from giving information to nationwide agencies which are interested in learning about the program, and thus might prevent the American people from knowing what is going on in this agency.

As I read the provision, however, I do not believe that is the intent.

Will the Senator from Arizona state the intent?

Mr. HAYDEN. First-of all, this section came into the bill as the result of an amendment offered on the floor of the House of Representatives. As agreed to by the House, the amendment read as follows:

No part of any appropriation contained in this act shall be used for publicity or

propaganda purposes not heretofore authorized by the Congress.

Our committee voted to amend that language by striking out the words "not heretofore authorized by the Congress" and by inserting the words "within the United States."

The committee did so for the reason that it is obvious that this agency must have the right to engage in some propaganda activities in foreign countries.

I think the statement by Mr. Hollister, which appears on pages 582 and 583 of the hearings, probably answers the question the Senator from Pennsylvania has asked. Included in the hearings is the following statement by Mr. Hollister:

We have, of course, regularly been providing information, as distinguished from propaganda and publicity, to the Congress and the American public with regard to the mutual-security program. This is in accord with the responsibility of Government agencies to keep the public informed of their operations and of the way in which they are using the public funds entrusted to them. The conference committee which adopted the Dworshak amendment explicitly stated (H. Rept. 2031, 82d Cong., p. 18) that "there should not be any interference with the supplying of full information to the Congress and to the public concerning the operations of the mutual security program." Recently there have been several expressions of congressional view that a more thorough job should be done of informing the American public of what is being done with foreign-aid appropriations and what results are being achieved.

Also, activities are being carried out to disseminate in other countries information and publicity on the mutual security program. Congress has often made clear its intention that the peoples of other countries should be kept fully aware of the assistance being furnished to them by the United States.

These types of activity which are now being carried on for supplying information to the American people and for furnishing information and publicity in foreign countries could, it seems clear, continue to be conducted without change under the language of the House provision.

Mr. CLARK. I thank the Senator from Arizona.

Mr. SYMINGTON. Mr. President, there are aspects of this military security bill which appear inconsistent with the rest of administration policy.

On May 14 last, the President went before the American people on a national telecast and urged with all the authority of his office that the Senate restore reductions made by the House of Representatives in the national defense budget.

At that time he said:

I earnestly believe that this defense budget represents, in today's world, the proper dividing line between national danger on the one hand and excessive expenditures on the other. If it is materially cut, I believe the country would be taking a fearful gamble.

For myself, I have seen unwise military cuts before. I have seen their terrible consequences. I am determined to do all I can to see that we do not follow that foolhardy road again.

In this position he was supported, later on, before a Senate subcommittee, by every civilian and military leader in the Pentagon.

Accordingly, the Senate restored most of the money he requested.

But only a few weeks later the administration said, "Never mind"—that the money was not really needed—thereby implying that the President had made a mistake.

Was this decision to reduce our military strength made because of any improvement in world conditions?

Was it made because of the steadily deteriorating position of the free world in the Middle East?

In that the Eisenhower Middle East doctrine is getting steadily closer to practical application—which would mean the participation of American forces in that part of the world—did it mean we do not now intend to live up to that doctrine?

Was it because the administration felt that more unilateral disarmament would help our bilateral disarmament negotiations which now are going on in London with the Communists?

No; it was not any of these.

Because of fiscal and budgetary reasons, the administration decided the United States could no longer afford to maintain its current military strength.

In other words, the richest Nation in world history and the only real remaining power against the steady growth of Communist aggression cannot afford to keep pace with the Communists in defense preparation.

So now, we plan, with calculation, to pass over to the Communists superiority in all defense fields except our surface Navy.

How many Americans realize that in 1953, when this country in effect had an atomic monopoly, we were spending nearly 14 percent of our gross national product—our wealth—on national defense?

But today, when most assuredly we no longer have that monopoly, we are spending less than 10 percent of our wealth for security; and this administration now plans to spend even less than that.

These were the conditions as we found them yesterday morning.

Now a new and important development has just occurred—announcement by the Soviet of their successful firing of an intercontinental ballistic missile.

Many people will say this is just propaganda—and no one could ever dispute the merit of that observation. To the best of our knowledge, however, the Soviets have never yet announced the achievement of a weapon which they did not later produce in quantity.

Mr. President, for months a great newspaper, the New York Herald Tribune, has been pointing out the danger incident to the growing relative military strength of the Communists.

In this connection, a front-page editorial heading a story, "Moscow Reports Intercontinental Missile Success—Test Rocket Said To Hit Target Area—Russians Talk of World Range," is pertinent, and I ask unanimous consent that it be included at this point in the RECORD.

There being no objection, the editorial was ordered to be printed in the RECORD, as follows:

MOSCOW REPORTS INTERCONTINENTAL MISSILE SUCCESS—TEST ROCKET SAID TO HIT TARGET AREA—RUSSIANS TALK OF WORLD RANGE

Russian success in building an intercontinental missile before the United States significantly alters the world power situation. Not since the explosion of the first Soviet H-bomb in August 1953 has Russian military power taken such a giant step forward. At present there is no defense against the intercontinental ballistic missile with an H-bomb in its nose. If the Soviets beat the United States into mass production with these missiles—an event still several years off—the Russians will be able to use atomic blackmail on the free world almost at will. The balance of terror is shifting to the East.

Mr. SYMINGTON. For years many of us have been noting that the Soviets, under the experience, knowledge, and drive of such leaders as Blagonravov, Grottrup, and Kapitsa, have been moving ahead in the intermediate range ballistic missile field. Now it would appear that they may well be leading in the intercontinental ballistic missile field.

And what is our answer? Because of budget and fiscal considerations, the administration recognizes this, the gravest threat ever faced by the United States, by slowing down our activities in the ICBM field.

Why? Because we cannot afford to do otherwise.

This is the background against which we are now being asked to vote foreign military aid.

In January of this year the President requested \$4.4 billion of new obligatory authority for the mutual security program—\$2.450 billion for military aid and \$1.950 billion for economic aid.

This at that time he called part of a "carefully balanced budget, adapted to the needs of the present and the future."

For reasons which are not clear, the \$4.4 billion was later reduced to \$4 billion.

Then on a nationwide telecast last May 21, the President made a special plea to the American people in support of his foreign aid budget. At that time he said:

In my judgment these programs do more than any other—dollar for dollar—in securing the safety of our country.

And also asserted that to cut foreign aid would be a "gamble with peace."

But on May 14 the President, just a week before, had said it would be a "fateful gamble" to cut any of the defense budget which later, in July, he said had to be cut because we could not afford it.

As his fiscal problems mount, will he use this money if the Congress appropriates it?

Only time can tell.

The bookkeeping on foreign aid could not be in more confusion.

In any case, much of the money cannot even be accounted for.

Relying upon the data furnished by the administration, Members of the Congress have come up with figures which vary tremendously with respect to 1957 carryover and the availability of funds for fiscal year 1958. In fact, they vary from \$93.7 million of unobligated and unspent funds, to as high as \$10 billion to

\$12 billion of money which will be available in the fiscal year 1958.

Just how mixed up and unbusinesslike can one get?

The confusion is further compounded by various contradictory assertions as to counterpart funds, Public Law 480 funds, economic development loans, military funds, defense support funds.

Nobody is really clear on all the facts.

It is hard for me to justify the logic of this administration's first cutting off operating funds from Americans who now face the Communists in foreign countries, and then adding hundreds of millions for military aid to the forces of other countries.

Two wrongs do not make a right, however, and because I do not believe this Nation can stand alone, I cannot bring myself to vote to cut off military assistance to our allies just because comparable assistance has been cut off from our own forces.

It is true that, under current world conditions, any strength not dominated by communism should be an advantage to the United States.

The PRESIDING OFFICER. The question is, Shall the bill pass?

Mr. KNOWLAND. Mr. President, on that question I ask for the yeas and nays.

The yeas and nays were ordered.

Mr. AIKEN. Mr. President, I think the Appropriations Committee has done a very excellent job in preparing and reporting the bill. I say that as one who had hoped there would come from the committee a bill providing more than the pending bill appropriates. I realize what an uphill job the committee had to report the bill, even though I would have liked to have had it different in some respects. Some items in the bill, however, disturb me a little bit. I notice the military-assistance figure as approved by the House was raised by the Senate committee \$225 million. I also notice the development loan fund was raised \$100 million; that special assistance was raised \$50 million, that the defense-support figure was raised \$114 million; but that the amount appropriated for technical cooperation, or technical assistance, as it is called, was increased only \$1,900,000. I have always felt that we get more for a dollar spent on technical assistance than we do from any other foreign-aid funds.

Mr. SALTONSTALL. Mr. President, will the Senator yield?

Mr. AIKEN. I yield.

Mr. SALTONSTALL. The reason for that was that the House reappropriated \$12 million, which had not been put into the estimates, so that in raising it \$1,900,000 there has to be taken into account the fact that the House provided \$12 million more than the President had requested.

Mr. AIKEN. Does not the total amount represent a reduction from the appropriation of last year?

Mr. SALTONSTALL. Yes; it does.

Mr. AIKEN. I regret that very much. I had hoped the committee would be willing to adjust these amounts somewhat to add a little more to technical cooperation, even if it had to deduct it

from one of the other larger increases. However, as I say, I realize the committee had an uphill job to do as well as it did do.

Much as I would like to offer an amendment to increase the technical assistance appropriation, I shall forbear at this time, with due regard to the efforts of the chairman of the committee, the majority leader, the minority leader, and other Senators who have worked so hard to get as good a bill as the one before us.

Mr. ELLENDER. Mr. President, will the Senator yield?

Mr. AIKEN. I yield.

Mr. ELLENDER. The reason it was not increased, as I said recently, was that it was one of the programs in which there was a carryover of \$174 million.

Mr. AIKEN. I hope there is a sufficient carryover so the program will not be seriously crippled this year.

Mr. ELLENDER. In the technical aid program for fiscal year 1957, \$136,620,000 was appropriated, comprised of \$135 million of new money and a reappropriation of \$1,620,000. Of this amount, ICA was only able to obligate \$124,567,000, leaving a total of \$12,053,000 unobligated at the end of fiscal year 1957.

For fiscal year 1958, the House has appropriated a total of \$125 million, comprised of \$113 million of new money and a reappropriation of \$12 million. Thus the amount appropriated for fiscal year 1958 is \$433,000 more than was used in fiscal year 1957. This amount should be more than adequate when an unexpended amount aggregating \$174 million is available which gives a total amount available for expenditure in fiscal year 1958 of \$299 million and this to pay primarily for personal services.

Mr. MORSE. Mr. President—

The PRESIDING OFFICER. The Senator from Oregon.

Mr. MORSE. Mr. President, I shall make a very brief statement of my reasons for voting for the bill, though I wish I could vote for a much better bill than this. However, ever since I have been in the Senate, I have supported the principles and objectives of foreign aid. I still stand for those principles and objectives. This year the choice I had to make up until this point was a choice between alternatives as to amounts. I have made my major speeches on the subject matter so far as the details of the bill are concerned. I wish to say again that I think the President of the United States and the Secretary of State are guilty of the grossest misrepresentations to the American people in regard to the need for the amounts involved in this bill.

I think there are in the bill hundreds of millions of dollars of waste which ought to be saved for the taxpayers of the United States. I think when the taxpayers come to find out the policy of this administration, with its inconsistencies and vacillations in the field of foreign aid, they will repudiate the administration. However, I think that foreign aid is needed, both economic and military. As a member of the Foreign Relations Committee, my difference with the Appropriations Committee has been

over the amount of money that has been recommended.

However, I shall vote for the bill on final passage in the hope, Mr. President, that the House conferees, as we sometimes say in the Senate language, will hang tough in conference and will insist on the lower figure, because I think the Senate figure is entirely too high. It will involve a great waste, and a savings should be made for the taxpayers.

I shall vote for the bill because I support the principle of foreign aid.

The PRESIDING OFFICER. The question is, Shall the bill pass? On this question the yeas and nays have been ordered, and the clerk will call the roll.

The Chief Clerk called the roll.

Mr. MANSFIELD. I announce that the Senator from New Mexico [Mr. ANDERSON], the Senator from West Virginia [Mr. NEELY], the Senator from Wyoming [Mr. O'MAHONEY], and the Senator from Alabama [Mr. SPARKMAN] are absent on official business.

I further announce that, if present and voting, the Senator from West Virginia [Mr. NEELY], the Senator from Wyoming [Mr. O'MAHONEY], and the Senator from Alabama [Mr. SPARKMAN] would each vote "yea."

Mr. DIRKSEN. I announce that the Senator from New Hampshire [Mr. BRIDGES] is absent because of illness.

The Senator from Maryland [Mr. BUTLER], the Senator from South Dakota [Mr. CASE], and the Senator from Indiana [Mr. CAPEHART] are absent on official business.

If present and voting, the Senator from Maryland [Mr. BUTLER] and the Senator from Indiana [Mr. CAPEHART] would each vote "yea."

The result was announced—yeas 62, nays 25, as follows:

YEAS—62

Aiken	Hickenlooper	Mundt
Allott	Hill	Murray
Beall	Holland	Neuberger
Bennett	Humphrey	Pastore
Bush	Ives	Payne
Carlson	Jackson	Potter
Carroll	Javits	Purtell
Case, N. J.	Johnson, Tex.	Revercomb
Chavez	Kefauver	Saltonstall
Church	Kennedy	Schoeppel
Clark	Knowland	Scott
Cooper	Kuchel	Smathers
Cotton	Lausche	Smith, Maine
Dirksen'	Magnuson	Smith, N. J.
Douglas	Mansfield	Symington
Flanders	Martin, Iowa	Thye
Fulbright	Martin, Pa.	Watkins
Gore	McNamara	Willey
Green	Monroney	Williams
Hayden	Morse	Yarborough
Hennings	Morton	

NAYS—25

Barrett	Frear	McClellan
Bible	Goldwater	Robertson
Bricker	Hruska	Russell
Byrd	Jenner	Stennis
Curtis	Johnston, S. C.	Talmadge
Dworschak	Kerr	Thurmond
Eastland	Langer	Young
Ellender	Long	
Ervin	Malone	

NOT VOTING—8

Anderson	Capehart	O'Mahoney
Bridges	Case, S. Dak.	Sparkman
Butler	Neely	

So the bill (H. R. 9302) was passed.

Mr. JOHNSON of Texas. Mr. President, I move to reconsider the vote by which the bill was passed.

Mr. KNOWLAND. Mr. President, I move to lay that motion on the table.

The PRESIDING OFFICER. The question is on agreeing to the motion of the Senator from California to lay on the table the motion of the Senator from Texas to reconsider.

The motion to lay on the table was agreed to.

Mr. HAYDEN. Mr. President, I move that the Senate insist upon its amendments, request a conference with the House of Representatives thereon, and that the Chair appoint the conferees on the part of the Senate.

The motion was agreed to; and the Presiding Officer appointed Mr. HAYDEN, Mr. RUSSELL, Mr. CHAVEZ, Mr. ELLENDER, Mr. HILL, Mr. SALTONSTALL, Mr. KNOWLAND, Mr. THYE, and Mr. DIRKSEN conferees on the part of the Senate.

BUDGET REQUESTS AND REDUCTIONS THEREOF

Mr. JOHNSON of Texas. Mr. President, in the regular appropriation bills which have been submitted, there have been budget estimates of \$56,048,333,463. The mutual security appropriation bill previously had a budget estimate of \$4.4 billion. The estimate for the supplemental appropriation was \$1,973,767,-827. The atomic energy appropriation bill had a budget estimate of \$2,491,-625,000. Those figures make up a total of \$64,913,726,290 of budget estimates.

As to the appropriations which have been granted, the regular appropriation bills have provided \$52,174,706,259. The mutual security appropriation bill as it has passed the Senate now provides \$3,025,660,000, and the supplemental bill provides \$1,734,011,945. The atomic energy appropriation bill provides \$2,323,-632,500. Those figures represent a total of \$59,258,010,704.

Mr. President, this represents total reductions from the Budget estimates thus far, on the basis of the action the Senate has just taken, by increasing the House bill \$500 million, of \$5,655,715,586, or a percentage reduction of 8.7 percent. I want to express the appreciation of the Senate and the country for the diligence and painstaking efforts of each member of the Committee on Appropriations, which has considered all the regular bills plus the supplemental bills.

I am hoping it will be possible to go to conference with the other body on the mutual security appropriation bill, and to complete the action on the last appropriation bill we will consider this session during this week.

THE MAJORITY LEADER'S BIRTHDAY

Mr. GOLDWATER. Mr. President, will the Senator yield?

Mr. JOHNSON of Texas. I yield to the Senator from Arizona.

Mr. GOLDWATER. Mr. President, I wish to thank the majority leader for giving us those figures. I consider that they represent quite a birthday present for the people of the United States. I

think it is only proper that at this time we recognize that the man who announced that birthday present is celebrating his 49th birthday. The junior Senator from Arizona rises merely to extend to him happy birthday greetings, and to wish him well.

Mr. JOHNSON of Texas. I thank the Senator, very much.

[Applause, Senators rising.]

Mr. YARBOROUGH. Mr. President, it is a privilege to serve in this body, particularly with the distinguished majority leader of the Senate. When he first became majority leader, he was the youngest majority leader in the history of this body. He had a notable career in the House of Representatives before he was elected to the Senate by the people of Texas in a campaign which proved his fighting qualities—and campaigns in Texas are not mild.

I have found him to be a most able leader of the majority party. He can conciliate, and does conciliate, all factions, and brings to the party a truly national point of view on the national problems with which we wrestle in this Chamber.

I speak on behalf of the people of Texas when I say that I regret that he is not in Texas today, because the people customarily give the majority leader a great birthday party in Texas. Because of the long session, he has remained at his post of duty here, and deprived himself of the privilege of enjoying a wonderful birthday party in Texas. He receives probably the warmest birthday greeting party anyone in the State of Texas receives, and probably the warmest year after year, anyone has received in that State.

I join in the tributes paid and in the congratulations and warm good wishes extended to the majority leader, my senior colleague from Texas.

Mr. JOHNSON of Texas. I thank my friend from Texas and my other colleagues.

ADDITIONAL CIRCUIT AND DISTRICT JUDGES

Mr. JAVITS. Mr. President, I ask unanimous consent to have printed in the RECORD as a part of my remarks excerpts from the report of the Judicial Conference on the Need for Additional Judges in the Federal Courts.

There being no objection, the excerpts were ordered to be printed in the RECORD, as follows:

THE JUDICIAL BUSINESS OF THE UNITED STATES COURT OF APPEALS FOR THE SECOND CIRCUIT

As originally enacted, the Judicial Code of 1911 provided for 4 circuit judgeships for the second circuit (36 Stat. 1131). The number was raised to 5 by the act of February 28, 1929 (45 Stat. 1346) and to 6 by the act of May 31, 1938 (52 Stat. 584). The number of judgeships has remained the same since that time. The jurisdictional area of the circuit covers the States of Connecticut, New York, and Vermont which, according to the 1950 census, had a combined population of 17,215,-219. Court is held in New York City.

From 1941 to 1950 there was a declining trend in the cases filed in this court. For the next 4 years the number stabilized in the

vicinity of 350 cases a year, but during the fiscal year 1955 there was an increase of almost 60 percent over the previous fiscal year, resulting in an increase in pending cases from 154 on June 30, 1954, to 282 on the same date a year later. During the fiscal year 1956 there was some reduction in the number of cases commenced. The number of cases terminated continued to increase however and pending cases were reduced by 18. The figures were: cases commenced 462, cases terminated 480, and cases pending at the end of the fiscal year, 264. In the first half of the fiscal year 1957 covering the period from July 1 to December 31, 1956, the upward trend has been resumed with filings greater than those in the first half of the record fiscal year 1955.

The flow of cases in the first half of the fiscal years 1955, 1956, and 1957 in this court have been as follows:

	Pending at beginning of half year period	Filed July 1 to Dec. 31	Terminated July 1 to Dec. 31	Pending at end of half year period
July 1 to Dec. 31, 1954	154	275	142	287
July 1 to Dec. 31, 1955	282	224	174	332
July 1 to Dec. 31, 1956	264	281	183	362

In the first half of the fiscal year, which includes the summer vacation, it is natural for terminations to be less than cases filed, but a warning signal is given when the pending load continually mounts as it is doing in this circuit.

The figures for the past 16½ years are given in table I, attached.

Almost one-half of the cases commenced in the Court of Appeals for the Second Circuit are appeals from the United States District Court for the Southern District of New York, and the number of these filed annually averaged about 170 cases from 1950 to 1954, but increased to 270 in the fiscal year 1955, and was 251 in 1956. Appeals from the other district courts have also increased. The following table shows the source of appeals for the last 7 years:

Source of appeals and original proceedings commenced in the U. S. Court of Appeals for the 2d circuit during the fiscal years 1950 to 1956

Source of appeal	Fiscal year						
	1950	1951	1952	1953	1954	1955	1956
Total appeals	318	361	350	352	366	581	462
Connecticut	16	11	15	17	22	33	21
New York, northern	7	5	10	12	10	31	15
New York, eastern	34	49	33	43	39	76	65
New York, southern	186	177	165	167	159	270	251
New York, western	15	11	7	19	19	28	15
Vermont	4	2	2	3	3	8	6
The Tax Court of the United States	32	54	57	43	52	69	51
National Labor Relations Board	18	31	35	29	45	36	20
All other boards and commissions	5	12	12	12	7	16	10
Original proceedings	1	9	14	7	10	14	8

From 1950 to 1956 total appeals have increased by 45 percent and appeals from the courts by 42 percent. During the first half of the fiscal year 1957 the trend is again up.

For the last 6 years the number of appeals commenced per judgeship in the second circuit has averaged 69 compared to the national average per judgeship in the same period of 50.

The caseload per judgeship for each circuit since 1941 is shown in table 2, attached.

The number of cases filed per judgeship in 1954, 1955, 1956, and the first half of 1957 was as follows:

Cases commenced per judgeship

	Fiscal year			
	1954	1955	1956	1st half of 1957
All circuits	51	54	53	27
District of Columbia	52	49	60	24
1st	35	51	42	18
2d	61	97	77	47
3d	38	44	39	20
4th	70	67	70	37
5th	73	75	73	37
6th	51	53	52	28
7th	50	48	49	24
8th	33	37	34	13
9th	57	43	43	25
10th	42	48	48	23

In the fiscal year 1954, the second circuit caseload per judge of 61 was exceeded only by the fourth and fifth circuits and was 20 percent over the national average of 51. In the fiscal year 1955, the second circuit stood first with an average caseload per judge of 97, almost 80 percent above the national average of 54. Again, in 1956, the second circuit was first with 77 cases filed per judge compared with the national average of 53, and, once again, in the first half of the fiscal year 1957, it had the largest number of cases filed per judge, with a caseload 74 percent above the national average and 10 cases per judge more than in any other circuit.

The median from docketing to disposition for this circuit compared with the median for all circuits since 1942 is shown in table 3, attached.

In spite of the heavy load, including many cases of great importance, the circuit has kept up its excellent record of prompt disposition of appeals. With the recent death of Circuit Judge Jerome Frank, the court now has an added handicap until the vacancy is filled, particularly since Judge Frank was known for the speed and facility with which his able opinions were written.

The following table shows the caseload per judge in other circuits in the fiscal year preceding that in which Congress created additional judgeships. In all but one instance this followed a recommendation by the Judicial Conference of the United States:

Additional circuit judgeships created by Congress since 1939 with the caseload per judge of the circuit in which the judgeship was recommended during the year preceding the action by Congress

Circuit	Number of additional judgeships	Date of act	Caseload per judge of cases filed during preceding fiscal year
6th	1	May 21, 1940	60
8th	2	May 24, 1940	63
5th	1	Dec. 14, 1942	77
3d	1	Dec. 7, 1944	55
District of Columbia	3	Aug. 3, 1949	77
3d	1	do	42
7th	1	do	55
10th	1	do	54
5th	1	Feb. 10, 1954	80
9th	2	do	64

The 1955 caseload of 97 cases commenced per judge in the second circuit is larger than that of any other circuit where the creation of judgeships was recommended, and the 1956 caseload of 77 cases per judge is equal to that of the fifth and District of Columbia circuits, when additional judgeships were created for those circuits.

The Judicial Conference of the United States on March 24, 1955, in response to a request from the judicial council of the second circuit, recommended the creation of one additional circuit judgeship for this court.

At a meeting in January 1957 the circuit council of the circuit voted to recommend 2 additional circuit judges for this court instead of 1. The reason for this is the current increase in the business of the court, which seems to be in line with the long-term trend, the greatly augmented strain under which the court has been working during the last 2 years, and the growing number of trials and, thus, potential appeals in the district courts of the circuit.

The following table compares the cases per judge filed in the circuit in 1956 with the average for all circuits, and then on the basis of 7 judges for the second circuit court, the total for all circuits including the 2 judgeships recommended by the Judicial Conference (1 for the second circuit and 1 for the fourth) and finally on the basis of 8 judges for the second circuit court and for the national average the present number of judgeships plus 2 for the second circuit and 1 for the fourth.

	2d circuit— Number of—	All circuits— Number of—		Circuit	1950	1951	1952	1953	1954	1955	1956	1st half of 1957	
		Judge- ships	Cases										
		1956	6	77	68	53	70	51	8	58	71	51	27
1956: On the basis of the judgeships recommended by the Judicial Conference	7	66											
1956: On the basis of the judgeships recommended by the Judicial Conference plus an additional judgeship for the 2d circuit	8	58	71	51									

It will be observed that with 8 judges, based on the 1956 cases filed, the second circuit caseload per judge is well above the national average and, as will be seen from table 2, would be above the caseload in 7 of the other circuits.

The recommendation of the second circuit council for an eighth judge for this court will be considered by the Judicial Conference of the United States when it meets on March 14 and 15, 1957.

Respectfully submitted.

WILL SHAFROTH,
Chief, Division of Procedural Studies
and Statistics, Administrative Office
of the United States Courts.

FEBRUARY 5, 1957.

2D CIRCUIT

Table 1

Fiscal year	Filed	Terminated	Pending	Terminations after hearing	Terminations per judgeship after hearing
1941	533	548	142	408	68
1942	501	471	172	363	61
1943	499	504	167	338	56
1944	595	547	215	349	58
1945	466	520	161	380	63
1946	425	450	136	296	49
1947	378	386	128	269	45
1948	331	378	131	287	48
1949	344	351	124	270	45
1950	318	355	87	292	49
1951	361	319	129	268	45
1952	350	349	130	286	48
1953	352	359	113	296	49
1954	366	325	154	264	44
1955	581	453	282	349	58
1956	462	480	264	369	62
1957 (1st half)	281	183	362	-----	-----

TABLE 2.—Cases commenced per judgeship in the United States courts of appeals during fiscal years 1941–56, by circuit, including 1st half of fiscal year 1957

NUMBER OF CASES COMMENCED

Circuit	1941	1942	1943	1944	1945	1946	1947	1948	1949
Total all circuits	56	57	53	53	46	45	44	47	51
District of Columbia	45	58	45	47	47	49	44	58	77
1st	29	33	40	35	28	25	33	26	25
2d	89	84	83	99	78	71	63	64	57
3d	57	58	71	55	50	33	44	48	42
4th	53	46	52	49	41	36	43	49	56
5th	81	77	58	59	55	50	54	66	76
6th	54	47	46	41	34	39	35	38	36
7th	68	65	57	56	48	52	56	46	55
8th	47	40	41	36	30	39	23	27	29
9th	42	48	42	49	38	41	45	41	46
10th	47	62	47	48	55	45	40	49	54

TABLE 3.—Median time interval in months from docketing to final disposition of cases heard or submitted, fiscal years 1942–56

Fiscal year	2d circuit	All circuits
1942	3.9	7.7
1943	3.3	6.5
1944	4.5	6.5
1945	4.3	7.0
1946	3.7	6.8
1947	3.8	6.9
1948	3.5	6.3
1949	3.6	7.1
1950	3.3	7.1
1951	3.3	6.7
1952	3.9	7.3
1953	4.3	7.0
1954	4.6	7.1
1955	5.1	7.3
1956	6.6	7.4

THE JUDICIAL BUSINESS OF THE UNITED STATES DISTRICT COURT FOR THE EASTERN DISTRICT OF NEW YORK

There are six judgeships provided for the United States District Court for the Eastern District of New York, which has headquarters at Brooklyn. The jurisdiction of the court embraces Staten Island and Long Island and, concurrent with the southern district, the waters within Bronx and New York counties. The Judicial Code of 1911 provided 2 judgeships for the district; a third judgeship was authorized as temporary in 1922; 2 more judgeships were provided in 1929, and in 1935 the temporary judgeship created in 1922 was made permanent and a sixth judgeship was added. There has been no increase in judgepower for the district in more than 20 years.

The civil business of the court has not increased materially since the prewar period as shown in table 1, attached, and in the postwar period the number of filings has been remarkably steady. A slight decrease in business during the war years was followed by a sharp rise in civil filings in 1945, 1946, and 1947 as the result of a large volume of price- and rent-control litigation. Since then the 1,383 civil cases filed in 1948 and the 1,384 filed in 1955 have been the

no enmity or bitter feeling in any way toward any person in this body.

This has been a marvelous education. On Monday I took my mother, who is 83 years of age, living with a nurse and not very well, my father being dead, I took her up to see her relatives. On our return trip she said, "You know, son, you have changed greatly since being a Member of Congress." She said, "It has broadened you. You seem to understand human problems and people better than you understood them before you went to Washington." Mother is quite correct. They know their sons. This congressional life has changed me. I am a different man from when I arrived in Washington. Human beings as a whole are not bad. They are fundamentally decent, and if it were not so this world would crash within 24 hours. I know that so well. When I see an action at which others might look with disfavor, I say to myself do not be too disturbed; we are all heroes and cowards, saints and sinners. Qualities and emotions are so mixed up within all of us; the things we do and do not do. That is true. We do things that we ought not to do. We are such a mixture. It was for the glory of mankind and human beings that the Creator made us that way, because out of it develops real character.

So I leave you with joy in my heart, with respect in my heart; not only for you as individuals, because you have proven that by your devotion to your country, but I also leave this body with respect for our system of government, the American Republic.

I wish all of you well. If I can serve you in any way, it will be a joy. So I say goodby, au revoir, and may God be with you.

GENERAL LEAVE TO EXTEND REMARKS

Mr. CELLER. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to extend their remarks on the bill H. R. 7915 just passed.

The SPEAKER. Is there objection? There was no objection.

CONSTRUCTION, REPAIR, AND PRESERVATION OF CERTAIN PUBLIC WORKS ON RIVERS AND HARBORS

Mr. ROONEY. Mr. Speaker, I ask unanimous consent for the present consideration of the bill (S. 2603) to amend the act entitled "An act making appropriations for the construction, repair, and preservation of certain public works on rivers and harbors, and for other purposes."

The Clerk read the title of the bill.

The SPEAKER. Is there objection to the request of the gentleman from New York [Mr. ROONEY]?

Mr. GROSS. Mr. Speaker, reserving the right to object, may we have a brief explanation of this bill?

Mr. ROONEY. The purpose of this bill is to delete certain language from the act of June 3, 1896, limiting the width between the pier and the bulkhead lines on the south shore of Gowanus Creek in

my congressional district in Brooklyn, N. Y., and also to limit the area that can be filled with solid materials.

Under the act of June 3, 1896, the width of the piers between the bulkhead and pierhead lines on the south shore of Gowanus Creek and Fort Hamilton in Brooklyn is limited to 300 feet. There is also a limit upon the amount of solid fill that may be used in the construction of such piers. The mayor of the city of New York, Hon. Robert F. Wagner, the borough president of the Borough of Brooklyn, Hon. John Cashmore, and the New York City authorities are presently engaged in planning a shipping terminal in this area of the Borough of Brooklyn. The plan of development determined to be most economical and practical would be inconsistent with the provisions of the existing 1896 law.

The proposed plan provides for the construction of a pier 700 feet wide and the use of a greater quantity of solid fill than is allowed by the law. These restrictive provisions are outmoded in view of the nature of present-day terminal operations and the size of the modern ships which would berth at the terminal.

The estimated cost of the proposed development is about \$10 million; while with pile construction for the substructure, rather than fill, the cost would be about \$4 million higher. Leasing negotiations are now in progress. This new terminal would not entail the appropriation or use of any Federal funds.

Mr. GROSS. Nor is it contemplated for it to be an authorization which entails the use of Federal funds in the future?

Mr. ROONEY. Not at all. The Corps of Army Engineers have no objection to the pending bill, and the Bureau of the Budget has no objection.

Mr. Speaker. I trust the House will pass this bill S. 2603 which is identical to the provisions of H. R. 8700 introduced by the gentleman from New York [Mr. BUCKLEY] and H. R. 8784 introduced by me. Unless we do, action on this meritorious legislation will be postponed until next year.

Mr. GROSS. Mr. Speaker, I withdraw my reservation of objection.

The SPEAKER. Is there objection to the request of the gentleman from New York?

There was no objection.

The Clerk read the bill, as follows:

Be it enacted, etc., That chapter 314 of the laws of 1896, entitled, "An act making appropriations for the construction, repair, and preservation of certain public works on rivers and harbors, and for other purposes," approved June 3, 1896, is hereby amended by deleting therefrom the following paragraph:

"And in order to meet the demands of the greatly enlarged size of vessels, and of increasing commerce, it is hereby further provided that such piers as may be built between 17th Street, on the south shore of Gowanus Creek, and Fort Hamilton may be constructed so that so much thereof as shall be between the pier and bulkhead lines may be of a linear width not to exceed 300 feet, and, whether, of that width or of less width, may be filled with solid materials when an equal tidal prism or space to receive the inflow of the tides is provided in compensation therefor, behind the authorized bulkhead line and adjacent to said piers."

The bill was ordered to be read a third time, was read the third time and passed, and a motion to reconsider was laid on the table.

ABSENCE OF AMBASSADORS FROM THEIR POSTS

(**Mr. MORANO** asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. MORANO. Mr. Speaker, the absence of some of our Ambassadors from their posts has been given a lot of publicity recently as a result of hearings held before a committee of the other body. Some commentators and even public officials who should have known better have made extravagant, and even misleading statements, on the basis of information supplied by the Department of State. In several cases the statements reflect adversely on some of our chiefs of mission.

My purpose in speaking on this subject is to put the matter in proper perspective. I particularly want to call attention to a few points that have been overlooked.

Chiefs of mission are excluded from the provisions of the Annual and Sick Leave Act of 1951, as amended. Therefore, the detailed leave records pertinent to other officers and employees of the Department and the Foreign Service have not been maintained for chiefs of mission. In this connection, the statistical information which forms the basis for these recent statements was compiled under great haste in the Department from various bits and pieces of information it had readily available. Only a complete check at each post abroad would make possible a more thorough statistical analysis—and even then it may not always be complete.

It is not possible to draw a neat line between official consultation and home leave. Frequently an ambassador returns to Washington for consultation. This means he makes himself available for talks with Department officials. For example, an ambassador may have an appointment with the Secretary of State on Tuesday morning, with the Under Secretary of State on Thursday morning, and with officials of another agency on Friday afternoon. Are the times when he has no official appointments official duty or vacation? If he visits his dentist or doctor on Wednesday, is this vacation or sick leave?

When an Ambassador is in the United States, whether on official duty or on home leave, he frequently assumes the responsibility of addressing various organizations. This is an important function in public relations and in my judgment is an official function.

In one case an Ambassador is listed as having an extraordinarily long vacation period. It is not generally known that his absence was made necessary by the critical illness of his wife. In another case the Ambassador himself required extensive medical treatment that could only be obtained in this country.

I offer these few observations in the hope that before any further charges are made, the individuals making them

will take the trouble to check thoroughly. I have been advised that the Department of State is now requiring the posts to forward periodic reports on the absence of chiefs of mission. This should serve as a future safeguard against those who seek publicity at the expense of our representatives abroad.

ACQUISITION OF LAND BY NATIONAL ADVISORY COMMITTEE FOR AERONAUTICS

Mr. DURHAM. Mr. Speaker, I ask unanimous consent to take from the Speaker's table the bill (H. R. 3377) to promote the national defense by authorizing the construction of aeronautical research facilities and the acquisition of land by the National Advisory Committee for Aeronautics necessary to the effective prosecution of aeronautical research, with Senate amendments thereto, and concur in the Senate amendments.

The Clerk read the title of the bill.

The Clerk read the Senate amendments as follows:

Page 2, line 3, after "tunnel," insert "taxi strip."

Page 2, line 3, strike out "\$8,164,000" and insert "\$8,914,000."

Page 2, line 20, strike out "\$44,700,000" and insert "\$45,450,000."

The SPEAKER. Is there objection to the request of the gentleman from North Carolina?

There was no objection.

The Senate amendments were concurred in.

A motion to reconsider was laid on the table.

SPECIAL ORDER

Mr. PATMAN. Mr. Speaker, I ask unanimous consent to address the House for 45 minutes today following the special orders heretofore entered, to revise and extend my remarks, and include extraneous matter.

The SPEAKER. Is there objection to the request of the gentleman from Texas?

There was no objection.

CORRECTION OF ROLLCALL

Mr. ZABLOCKI. Mr. Speaker, on rollcall No. 215 I am carried as absent. I was present and answered "yea." I ask unanimous consent that the permanent RECORD and Journal be corrected accordingly.

The SPEAKER. Is there objection to the request of the gentleman from Wisconsin?

There was no objection.

Mr. MORGAN. Mr. Speaker, on rollcall No. 215 my colleague from Pennsylvania [Mr. Flood] is recorded as having voted "yea." The gentleman from Pennsylvania [Mr. Flood] is absent on official business. I ask unanimous consent that the permanent RECORD and Journal be corrected accordingly.

The SPEAKER. Is there objection to the request of the gentleman from Pennsylvania?

There was no objection.

FURTHER MESSAGE FROM THE SENATE

A further message from the Senate, by Mr. McBride, one of its clerks, announced that the Senate had passed, with amendments in which the concurrence of the House is requested, a bill of the House of the following title:

H. R. 9302. An act making appropriations for mutual security for the fiscal year ending June 30, 1958, and for other purposes.

The message also announced that the Senate insists upon its amendments to the foregoing bill, and requests a conference with the House on the disagreeing votes of the two Houses thereon, and appoints Mr. HAYDEN, Mr. RUSSELL, Mr. CHAVEZ, Mr. ELLENDER, Mr. HILL, Mr. SALTONSTALL, Mr. KNOWLAND, Mr. THYE, and Mr. DIRKSEN to be the conferees on the part of the Senate.

MUTUAL SECURITY APPROPRIATION BILL, 1958

Mr. PASSMAN. Mr. Speaker, I ask unanimous consent to take from the Speaker's table the bill (H. R. 9302) making appropriations for mutual security for the fiscal year ending June 30, 1958, and for other purposes, with amendments thereto, disagree to the amendments, and agree to the conference asked by the Senate.

The Clerk read the title of the bill.

The SPEAKER. Is there objection to the request of the gentleman from Louisiana? [After a pause.] The Chair hears none, and appoints the following conferees: Messrs. PASSMAN, GARY, ROONEY, LANHAM, NATCHER, DENTON, ALEXANDER, SHEPPARD, TABER, WIGGLESWORTH, FORD, and MILLER of Maryland.

THE HOME PORT OF THE U. S. S. "RANGER" SHOULD BE BREMERTON

(Mr. PELLY asked and was given permission to extend his remarks at this point in the RECORD.)

Mr. PELLY. Mr. Speaker, on page A7050 of the CONGRESSIONAL RECORD Appendix, under an extension of remarks of Monday, August 26, 1957, my good friend and highly imaginative colleague from the 18th District of California, which includes Long Beach [Mr. Hosmer], quotes a columnist, Virginia Kelly. Who Miss Kelly is or where her column appears I do not know; but she enters into the field of naval strategy, and suggests that the new *Forrestal* class carrier, U. S. S. *Ranger*, be homeported at Long Beach because of operational and flying conditions, alleged better living conditions for Navy families, and because of the drydocking facilities there. Miss Kelly's article compares Long Beach with San Francisco and the Puget Sound Naval Shipyard at Bremerton, Wash.

Mr. Speaker, the gentleman from California, in inserting Miss Kelly's statement indicates that in his opinion Long Beach should stand at the top of the selection list. His extension of remarks has a title, "U. S. S. *Ranger* West Coast Home Port: Why Not Long Beach?"

The gentleman from Washington [Mr. PELLY] whose congressional district includes the Puget Sound Naval Shipyard, will give the gentleman an answer. It is contained in the general debate on authorizing construction and conversion of certain naval vessels under date of February 1, 1956. This will be found in volume 102, part 2, on pages 1837 and 1838 of the CONGRESSIONAL RECORD, 84th Congress, 2d session.

Reference to the debate will show that the gentleman from Iowa [Mr. Gross] raised the point of dispersal of aircraft carriers and stated that he had received a clipping from a constituent with a Chicago Tribune picture page under date of December 21, 1955, showing the carriers *Hornet*, *Princeton*, *Shangri-La*, *Lexington*, *Philippine Sea*, and *Wasp* all berthed within an area of about 2 miles in the harbor of San Diego. The gentleman from Iowa quotes correspondence he had had with the Secretary of Defense, and concluded with some comments of his own with which I at that time agreed, namely that such an undue concentration of our combat vessels was an open invitation to an enemy to destroy the backbone of our entire fleet with one bomb.

In turn, as the record will show, the very distinguished chairman of the Armed Services Committee, the gentleman from Georgia [Mr. VINSON], congratulated the gentleman from Iowa [Mr. Gross] in calling this to the attention of the committee, and agreed with everything he said. The gentleman from Georgia said he could see no reason why aircraft carriers could not be berthed at Bremerton, Hunters Point, or San Pedro rather than concentrating all at the port of San Diego. He said the point was well taken, and the Department should not, under any circumstances, berth the aircraft carriers all in one port at any one time.

I recommend, Mr. Speaker, that the gentleman from California [Mr. Hosmer] read the entire discussion on dispersal contained in these pages of the CONGRESSIONAL RECORD to which I have referred. And likewise I recommend the careful reading of these pages to the columnist, Virginia Kelly, because already there are a great many combat vessels home ported at Long Beach, and in fact our entire Pacific Fleet, and I have expressed this view for a long time, is not properly dispersed. We always will be taking a calculated risk until such time as the suggestion of the gentleman from Georgia [Mr. VINSON] is put into effect and the other west-coast locations are utilized.

As the gentleman from California [Mr. Hosmer] knows so well, the construction of a new drydock especially designed for *Forrestal*-type carriers is due to commence early in 1958 at Bremerton. Most logically the U. S. S. *Ranger* should be homeported in Bremerton, and under date of August 15, 1957, I wrote to the Chief of Naval Operations, Adm. Arleigh Burke, urging the Bremerton selection.

Dispersal is no new idea as far as the gentleman from Washington [Mr. PELLY] is concerned. When the gentleman from Iowa [Mr. Gross] in 1956

Digest of CONGRESSIONAL PROCEEDINGS

OF INTEREST TO THE DEPARTMENT OF AGRICULTURE

OFFICE OF BUDGET AND FINANCE
(For Department Staff Only)

Issued August 29, 1957
For actions of August 28, 1957
85th-1st, No. 157

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HIGHLIGHTS: (See Page 6.)

SENATE

1. LAND-WATER RESOURCES. The Interior and Insular Affairs Committee and the Public Works Committee jointly reported with amendments S. Res. 148, to prescribe procedures and contents for reports to the Senate by executive agencies with respect to proposed projects for conservation and development of land and water resources (S. Rept. 1154). pp. 14809.
2. FARM PROGRAM. Sen. Martin, Iowa, defended the record of the Eisenhower administration in connection with the farm program and set forth accomplishments on this matter. pp. 14881-4
3. WOOL PROGRAM. Sen. Barrett and others explained the problems of the sheep industry and the Wool Act of 1954, and recommended extension of the Act at the next session of Congress. pp. 14867-81
4. BUDGETING. Sen. Ellender objected to procedures for the Budget Bureau to restrict apportionments to levels which will result in obligations below the intent of Congress at the time the appropriations were made. pp. 14849-50
Sen. Byrd inserted a letter from the Secretary of the Treasury explaining the narrow margin between the public debt and the statutory debt limit, and the Senator stated he would oppose increasing the limit except for "dire national

- emergency." pp. 14864-5
5. GRAIN STANDARDS. Sen. Humphrey inserted an editorial recommending reappraisal of the possible USDA change from the bushel to the hundredweight as a unit of grain measure, and the Senator requested that CSS not adopt the new procedure without further study and consultation with the trading groups. p. 14843
6. RESEARCH. Sen. Thye spoke in favor of S. 2306, to carry out the recommendations of the Commission on Increased Use of Agricultural Products for Industrial Purposes. pp. 14821-2
7. FORESTRY. The Agriculture and Forestry Committee reported without amendment H. R. 7900, to permit USDA to sell to individuals land in Ottawa County, Mich., which was acquired pursuant to title III of the Bankhead-Jones Farm Tenant Act (S. Rept. 1155). p. 14809
This Committee reported without amendment H. R. 580, to authorize exchange with Missouri of certain lands in the Clark and Mark Twain National Forests (S. Rept. 1156). p. 14809
8. POULTRY. Sen. Cotton inserted a N. H. Poultry Growers Assn. resolution opposing "Government controls or interference in the poultry industry except in a research capacity." p. 14809
9. INTEREST RATES. Sen. Neuberger said increased interest rates have restricted the economy of lumber and sawmill towns in Oregon. p. 14817
Sen. Martin, Pa., stated that U. S. interest rates are lower than in most countries and that the world-wide increase in interest rates is the result of "cheap money." pp. 14820-1
10. CONSERVATION. Sen. Humphrey inserted a resolution by the Michigan United Conservation Clubs favoring S. 871, which provides for a conservation-study commission and Youth Conservation Corps. pp. 14843-4
11. PUBLIC WORKS Committee submitted its summary of activities, including amendments to the Lease-Purchase Act and approvals of projects under the Watershed Protection and Flood Prevention Act. pp. 14817-20
12. CIVIL RIGHTS. Continued debate on the compromise civil rights bill, H. R. 6127. pp. 14808, 14826-62, 14885-900
- HOUSE
13. ACREAGE ALLOTMENTS. Concurred in the Senate amendments to H.R. 8030, to eliminate the requirement that notice of intent not to plant the full acreage allotment must be filed with the county committee in order for a farmer to receive credit for future acreage allotment purposes. The bill counts the acreage underplanted in 1956 if the committee was notified, does not count acreage released under surrender and reapportionment provisions, and applies the bill to all allotted crops. This bill will now be sent to the President. p. 14779
14. FOREIGN AID. Received the conference report on H.R. 9302, the 1958 mutual security appropriation bill (H. Rept. 1268). pp. 14799-800, [REDACTED]
15. PERSONNEL. Passed without amendment H. Con. Res. 175, to state a code of ethics for Government employees. p. 14785

MUTUAL SECURITY APPROPRIATION BILL, 1958

AUGUST 28, 1957.—Ordered to be printed

Mr. PASSMAN, from the committee of conference, submitted the following

CONFERENCE REPORT

[To accompany H. R. 9302]

The committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H. R. 9302) making appropriations for Mutual Security for the fiscal year ending June 30, 1958, and for other purposes, having met, after full and free conference, have agreed to recommend and do recommend to their respective Houses as follows:

That the Senate recede from its amendments numbered 1, 6, 7, 8, 9, 10, 13, 14, 16, 19, 20, 21, and 22.

That the House recede from its disagreement to the amendments of the Senate numbered 5, 11, and 12, and agree to the same.

Amendment numbered 2:

That the House recede from its disagreement to the amendment of the Senate numbered 2, and agree to the same with an amendment as follows:

In lieu of the sum proposed by said amendment insert \$1,340,000,000; and the Senate agree to the same.

Amendment numbered 3:

That the House recede from its disagreement to the amendment of the Senate numbered 3, and agree to the same with an amendment as follows:

In lieu of the matter proposed by said amendment insert, *to remain available until December 31, 1958*; and the Senate agree to the same.

Amendment numbered 4:

That the House recede from its disagreement to the amendment of the Senate numbered 4, and agree to the same with an amendment as follows:

In lieu of the matter proposed by said amendment insert *until December 31, 1958*; and the Senate agree to the same.

Amendment Numbered 17:

That the House recede from its disagreement to the amendment of the Senate numbered 17, and agree to the same with an amendment as follows:

In lieu of the matter stricken out and inserted by said amendment insert: *within the United States not heretofore authorized by the Congress*; and the Senate agree to the same.

Amendment numbered 18:

That the House recede from its disagreement to the amendment of the Senate numbered 18, and agree to the same with an amendment as follows:

Restore the matter stricken out by said amendment, amended to read as follows:

SEC. 106. Except for the appropriations entitled "Special assistance, general authorization" and "Development loan fund", not more than 20 per centum of any appropriation item made available by this Act shall be obligated and/or reserved during the last month of availability.

And the Senate agree to the same.

The committee of conference report in disagreement amendment numbered 15.

OTTO E. PASSMAN,
J. VAUGHAN GARY,
JOHN J. ROONEY,
HENDERSON LANHAM,
WILLIAM H. NATCHER,
WINFIELD K. DENTON,
HARRY R. SHEPPARD,
JOHN TABER,
R. B. WIGGLESWORTH,
GERALD R. FORD, Jr.,
EDWARD T. MILLER,

Managers on the Part of the House.

CARL HAYDEN,
RICHARD B. RUSSELL,
DENNIS CHAVEZ,
ALLEN J. ELLENDER,
LISTER HILL,
LEVERETT SALTONSTALL (except
as to amendment No. 19),
WILLIAM F. KNOWLAND (except
as to amendment No. 19),
EDWARD J. THYE
EVERETT M. DIRKSEN,

Managers on the Part of the Senate.

STATEMENT OF THE MANAGERS ON THE PART OF THE HOUSE

The managers on the part of the House at the conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H. R. 9302) making appropriations for Mutual Security for the fiscal year ending June 30, 1958, and for other purposes, submit the following statement in explanation of the effect of the action agreed upon and recommended in the accompanying conference report as to each of such amendments, namely:

MUTUAL SECURITY

FUNDS APPROPRIATED TO THE PRESIDENT

MILITARY ASSISTANCE

Amendment No. 1: Deletes Senate proposal authorizing the purchase of passenger motor vehicles for replacement only.

Amendment No. 2: Appropriates \$1,340,000,000 instead of \$1,250,000,000 as proposed by the House and \$1,475,000,000 as proposed by the Senate.

Amendments Nos. 3 and 4: Insert language making "Military assistance" appropriations available until December 31, 1958.

DEFENSE SUPPORT

Amendment No. 5: Appropriates \$689,000,000 as proposed by the Senate instead of \$585,000,000 as proposed by the House.

Amendment No. 6: Deletes Senate language making the "Defense support" appropriation available until expended.

Amendment No. 7: Provides \$40,000,000 for Spain as proposed by the House instead of \$35,000,000 as proposed by the Senate.

DEVELOPMENT LOAN FUND

Amendment No. 8: Appropriates \$300,000,000 as proposed by the House instead of \$400,000,000 as proposed by the Senate.

TECHNICAL COOPERATION

Amendment No. 9: Appropriates \$113,000,000 for technical cooperation under section 304 as proposed by the House instead of \$114,900,000 as proposed by the Senate.

Amendment No. 10: Deletes Senate language making the appropriation for technical cooperation under section 304 available until expended.

Amendment No. 11: Deletes House language restricting the United States contribution to the United Nations technical assistance program for the calendar year 1958 to 33.33 percent.

OTHER PROGRAMS

Amendment No. 12: Appropriates \$225,000,000 for special assistance authorized by section 400 (a) as proposed by the Senate instead of \$175,000,000 as proposed by the House. The conferees are agreed that not less than \$20,000,000 of this appropriation shall be for Latin America.

Amendment No. 13: Provides not less than \$10,000,000 for Guatemala as proposed by the House instead of \$7,500,000 as proposed by the Senate.

Amendment No. 14: Deletes Senate language appropriating \$20,000,000 for special assistance in Latin America.

Amendment No. 15: Reported in disagreement.

DEPARTMENT OF STATE

Amendment No. 16: Deletes Senate language authorizing transfer of funds to other appropriations of the Department of State.

GENERAL PROVISIONS

Amendment No. 17: Restores House language relative to use of appropriations for publicity and propaganda purposes with perfecting language of the Senate.

Amendment No. 18: Restores House language restricting the obligation and reservation of funds with perfecting language.

Amendment No. 19: Restores House language prohibiting the use of funds to carry out the purposes of the first sentence of section 400 (c) of the Mutual Security Act of 1954, as amended.

Amendments Nos. 20, 21 and 22: Restore section numbers as carried in House bill.

OTTO E. PASSMAN,
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JOHN TABER,
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Managers on the Part of the House.



consideration of the bill (H. R. 109) to incorporate the Jewish War Veterans, U. S. A., National Memorial, Inc.

The Clerk read the title of the bill.

The SPEAKER. Is there objection to the present consideration of the bill?

There was no objection.

The Clerk read the bill, as follows:

Be it enacted, etc., That the following-named persons, to wit: William Berman, Portland, Maine; Joseph Gilman, Manchester, N. H.; Capt. Louis Albrand, Burlington, Vt.; Mrs. Ethel Cohen, Providence, R. I.; Paul Robin, Providence, R. I.; Fred S. Harris, Meriden, Conn.; Edward Lettice, New Haven, Conn.; William Carmen, Boston, Mass.; Mrs. Sarah Stone, Boston, Mass.; Harry D. Henshel, New York, N. Y.; Capt. Joshua Goldberg, United States Navy, New York, N. Y.; Sol Masch, New York, N. Y.; Sam Slutsky, Peekskill, N. Y.; I. T. Rockman, Harrisburg, Pa.; Harry Schaffer, Pittsburgh, Pa.; Dr. David Coyne, Hoboken, N. J.; Edward Nappan, Atlantic City, N. J.; Howard M. Berg, Wilmington, Del.; Samuel Michaelson, Baltimore, Md.; Louis E. Spiegler, Washington, D. C.; Joseph F. Barr, Washington, D. C.; Joseph A. Reshefsky, Portsmouth, Va.; Edward Leyton, High Point, N. C.; Dr. Harry Appell, Charleston, S. C.; Harry Harrison, Atlanta, Ga.; Paul Ginsberg, Atlanta, Ga.; Harry Cohen, Miami Beach, Fla.; Louis B. Lepp, Birmingham, Ala.; Philip Katz, Louisville, Ky.; Dr. Yale Burke, South Bend, Ind.; Harry T. Madison, Detroit, Mich.; William Bobier, Cleveland, Ohio; Samuel Shaikevitz, St. Louis, Mo.; Maj. Gen. Julius Klein, Chicago, Ill.; Nathan Rakita, Milwaukee, Wis.; Myer Dorfman, St. Paul, Minn.; Hyman Greenspan, Dallas, Tex.; Harold Freeman, Phoenix, Ariz.; Harry Pells, Denver, Colo.; Hy Weltzman, San Bernardino, Calif.; Don Kapner, Seattle, Wash.; Sherman Z. Lipstein, Omaha, Nebr.; William Stern, Fargo, N. Dak.; David A. Baltch, Portland, Oreg.; and their associates and successors, are hereby created a body corporate by the name of "Jewish War Veterans, U. S. A., National Memorial, Inc." (hereinafter referred to as the "corporation").

Sec. 2. The object, purposes, and activities of the corporation shall be—

(a) to maintain and conduct a national memorial and museum dedicated to and commemorating the service and sacrifice of Americans of the Jewish faith, and especially those who died, in the armed services of the United States during a period of war;

(b) to acquire and maintain the necessary building or buildings in the District of Columbia for the purpose of housing the said national memorial museum as well as the national headquarters of the Jewish War Veterans of the United States of America, and the national headquarters of the National Ladies' Auxiliary, Jewish War Veterans of the United States of America, and the utilization of the facilities of such building or buildings and the said national headquarters to gather, collate, edit, publish, and exhibit the memorabilia, data, records, military awards, decorations, citations, et cetera, for the purposes of preserving the memories and records of patriotic service performed by men and women of the Jewish faith while in the armed services of the United States of America in time of war;

(c) to do all such acts as are necessary or convenient to attain the objects and purposes herein set forth, to the same extent and as fully as any natural person could or might do, and as are not forbidden by law or by this certificate of incorporation or by the bylaws of this corporation, including the power to borrow money;

(d) as a nonprofit corporation, none of the income of which shall accrue to any member as such, to purchase, lease, sell, mortgage, hold, receive by gift, devise or

bequest, or otherwise acquire or dispose of such real or personal property as may be necessary to the purposes of this corporation;

(e) to accept gifts inter vivos, bequests, benefactions, or property, real or personal of any kind or nature deemed pertinent or useful by the said corporation for the purpose of carrying forward the objectives herein stated;

(f) to have offices within or without the District of Columbia and promote and carry on its objects and purposes in the States or Territories of the United States; and

(g) to have perpetual succession and power—

(1) to sue and be sued;

(2) to adopt and alter a corporate seal;

(3) to adopt bylaws not inconsistent with law;

(4) to adopt emblems and badges, and have the sole and exclusive right to the use thereof; and

(5) to do all and any things and acts necessary and proper to carry into effect the purposes of the corporation.

Sec. 3. The corporation shall acquire any or all of the assets of the existing organization created under the laws of the District of Columbia, known as "Jewish War Veterans, U. S. A., National Memorial, Inc.", upon discharging or satisfactorily providing for the payment and discharge of all its liabilities.

Sec. 4. The governing body of the corporation shall consist of a board of trustees, who shall be elected by the national executive committee, Jewish War Veterans of the United States of America, from the membership of the Jewish War Veterans, United States of America, and the National Ladies Auxiliary, Jewish War Veterans of the United States of America, for such terms, and in such numbers as shall be decided upon by the said national executive committee. The meetings of such board of trustees, and the procedure thereat, shall be pursuant to the decision of the said board of trustees.

Sec. 5. On or before the 1st day of April of each year, the corporation hereby created shall make and transmit to the Congress, a report of its proceedings for the year ending December 31 preceding, including a full, complete, and itemized report of receipts and expenditure, of any kind. Said report shall be printed as a public document.

Sec. 6. The right to alter, amend, or repeal this act is hereby expressly reserved.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

TO PREVENT THE USE OF ARBITRARY STOCK PAR VALUES

Mr. HARRIS. Mr. Speaker, I ask unanimous consent to take from the Speaker's desk the bill (H. R. 3625) to amend section 214 of the Interstate Commerce Act, as amended, to prevent the use of arbitrary stock par values to evade Interstate Commerce Commission jurisdiction, with a Senate amendment thereto, and concur in the Senate amendment.

The Clerk read the title of the bill.

The Clerk read the Senate amendment, as follows:

Page 1, strike out lines 6 to 9, inclusive, and insert:

"(1) changing the proviso in the first sentence to read *'Provided, however,* That said provisions shall not apply to such carriers or corporations where the value of capital stock or principal amount of other securities to be issued, together with the value of capital stock and principal amount of other securities then outstanding, does not exceed

\$1 million, nor to the issuance of notes of a maturity of 2 years or less and aggregating not more than \$200,000, which notes aggregating such amount including all outstanding obligations maturing in 2 years or less may be issued without reference to the percentage which said amounts bear to the total amount of outstanding securities; and"

The SPEAKER. Is there objection to the request of the gentleman from Arkansas?

There was no objection.

The Senate amendment was concurred in.

A motion to reconsider was laid on the table.

CENTENNIAL OF THE BIRTH OF THEODORE ROOSEVELT

Mr. O'BRIEN of New York. Mr. Speaker, I ask unanimous consent for the immediate consideration of the joint resolution (S. J. Res. 18) to authorize and request the President to issue a proclamation in connection with the centennial of the birth of Theodore Roosevelt.

The Clerk read the title of the joint resolution.

The Clerk read the joint resolution as follows:

Resolved, etc. That the joint resolution entitled "Joint resolution to establish a commission for the celebration of the one hundredth anniversary of the birth of Theodore Roosevelt," approved July 28, 1955 (69 Stat. 348), is amended by adding at the end thereof the following new section:

"Sec. 9. The President is authorized and requested to issue a proclamation, inviting the people of the United States to observe the centennial anniversary of the birth of Theodore Roosevelt, which will occur in 1958, with appropriate ceremonies and activities during that year."

The SPEAKER. Is there objection to the request of the gentleman from New York?

There was no objection.

The joint resolution was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

COMMITTEE ON RULES

Mr. COLMER. Mr. Speaker, I ask unanimous consent that the Committee on Rules may have until midnight tonight to file certain reports.

The SPEAKER. Is there objection to the request of the gentleman from Mississippi?

There was no objection.

MUTUAL SECURITY

Mr. PASSMAN submitted the following conference report and statement:

CONFERENCE REPORT (H. REPT. NO. 1268)

The committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H. R. 9302) making appropriations for mutual security for the fiscal year ending June 30, 1958, and for other purposes, having met, after full and free conference, have agreed to recommend and do recommend to their respective Houses as follows:

That the Senate recede from its amendments numbered 1, 6, 7, 8, 9, 10, 13, 14, 16, 19, 20, 21, and 22.

That the House recede from its disagreement to the amendments of the Senate numbered 5, 11 and 12, and agree to the same.

Amendment numbered 2: That the House recede from its disagreement to the amendment of the Senate numbered 2, and agree to the same with an amendment, as follows: In lieu of the sum proposed by said amendment insert "\$1,340,000,000"; and the Senate agree to the same.

Amendment numbered 3: That the House recede from its disagreement to the amendment of the Senate numbered 3, and agree to the same with an amendment, as follows: In lieu of the matter proposed by said amendment insert ", to remain available until December 31, 1958"; and the Senate agree to the same.

Amendment numbered 4: That the House recede from its disagreement to the amendment of the Senate numbered 4, and agree to the same with an amendment, as follows: In lieu of the matter proposed by said amendment insert "until December 31, 1958"; and the Senate agree to the same.

Amendment numbered 17: That the House recede from its disagreement to the amendment of the Senate numbered 17, and agree to the same with an amendment, as follows: In lieu of the matter stricken out and inserted by said amendment, insert "within the United States not heretofore authorized by the Congress"; and the Senate agree to the same.

Amendment numbered 18: That the House recede from its disagreement to the amendment of the Senate numbered 18, and agree to the same with an amendment, as follows: Restore the matter stricken out by said amendment, amended to read as follows:

"SEC. 106. Except for the appropriations entitled 'Special assistance, general authorization' and 'Development loan fund', not more than 20 per centum of any appropriation item made available by this Act shall be obligated and/or reserved during the last month of availability.

And the Senate agree to the same.

The committee of conference report in disagreement amendment numbered 15.

OTTO E. PASSMAN,
J. VAUGHAN GARY,
JOHN J. ROONEY,
HENDERSON LANHAM,
WILLIAM H. NATCHER,
WINFIELD K. DENTON,
HARRY R. SHEPPARD,
JOHN TABER,
R. B. WIGGLESWORTH,
GERALD R. FORD, JR.,
EDWARD T. MILLER,

Managers on the Part of the House.

CARL HAYDEN,
RICHARD B. RUSSELL,
DENNIS CHAVEZ,
ALLEN J. ELLENDER,
LISTER HILL,
LEVERETT SALTONSTALL
(except as to No. 19),
WILLIAM H. KNOWLAND
(except as to No. 19).
EVERETT J. THYE,
EVERETT M. DIRKSEN,

Managers on the Part of the Senate.

STATEMENT

The managers on the part of the House at the conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H. R. 9302) making appropriations for mutual security for the fiscal year ending June 30, 1958, and for other purposes, submit the following statement in explanation of the effect of the action agreed upon and recommended in the accompanying conference report as to each of such amendments, namely:

MUTUAL SECURITY

Funds appropriated to the President

Military Assistance

Amendment No. 1: Deletes Senate proposal authorizing the purchase of passenger-motor vehicles for replacement only.

Amendment No. 2: Appropriates \$1,340,-000,000 instead of \$1,250,000,000 as proposed by the House and \$1,475,000,000 as proposed by the Senate.

Amendments Nos. 3 and 4: Insert language making military assistance appropriations available until December 31, 1958.

Defense Support

Amendment No. 5: Appropriates \$689,000,-000 as proposed by the Senate instead of \$585,000,000 as proposed by the House.

Amendment No. 6: Deletes Senate language making the defense support appropriation available until expended.

Amendment No. 7: Provides \$49,000,000 for Spain as proposed by the House instead of \$35,000,000 as proposed by the Senate.

Development Loan Fund

Amendment No. 8: Appropriates \$300,000,-000 as proposed by the House instead of \$400,000,000 as proposed by the Senate.

Technical Cooperation

Amendment No. 9: Appropriates \$113,000,-000 for technical cooperation under section 304 as proposed by the House instead of \$114,900,000 as proposed by the Senate.

Amendment No. 10: Deletes Senate language making the appropriation for technical cooperation under section 304 available until expended.

Amendment No. 11: Deletes House language restricting the United States contribution to the United Nations technical assistance program for the calendar year 1958 to 33.33 per centum.

Other Programs

Amendment No. 12: Appropriates \$225,000,-000 for special assistance authorized by section 400 (a) as proposed by the Senate instead of \$175,000,000 as proposed by the House. The conferees are agreed that not less than \$20,000,000 of this appropriation shall be for Latin America.

Amendment No. 13: Provides not less than \$10,000,000 for Guatemala as proposed by the House instead of \$7,500,000 as proposed by the Senate.

Amendment No. 14: Deletes Senate language appropriating \$20,000,000 for special assistance in Latin America.

Amendment No. 15: Reported in disagreement.

Department of State

Amendment No. 16: Deletes Senate language authorizing transfer of funds to other appropriations of the Department of State.

General Provisions

Amendment No. 17: Restores House language relative to use of appropriations for publicity and propaganda purposes with perfecting language of the Senate.

Amendment No. 18: Restores House language restricting the obligation and reservation of funds with perfecting language.

Amendment No. 19: Restores House language prohibiting the use of funds to carry out the purposes of the first sentence of section 400 (c) of the Mutual Security Act of 1954, as amended.

Amendments Nos. 20, 21 and 22: Restore section numbers as carried in House bill.

OTTO E. PASSMAN,
J. VAUGHAN GARY,
JOHN J. ROONEY,
HENDERSON LANHAM,
WILLIAM H. NATCHER,
WINFIELD K. DENTON,
HARRY R. SHEPPARD,
JOHN TABER,
R. B. WIGGLESWORTH,
GERALD R. FORD, JR.,
EDWARD T. MILLER,

Managers on the Part of the House.

POSTAL SAVINGS SYSTEM

(Mr. MARSHALL asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. MARSHALL. Mr. Speaker, on April 3 the Committee on Post Office and Civil Service favorably reported H. R. 5883, a bill to provide for the orderly and economical discontinuance of the Postal Savings System. This action followed hearings on a number of bills, including one of my own, to end this outmoded and costly service of Government. Some of us were disappointed that the bill as reported did not provide for faster liquidation since deposits are declining rapidly and there is ample evidence that many accounts exist only because they have been forgotten or are regarded as too insignificant for reinvestment or deposit in other savings facilities.

Favorable reports on the legislation have been received from the Post Office Department, the Comptroller General, and the Treasury Department. In addition, the report on business enterprise made by the Commission on Organization of the Executive Branch (Hoover Commission) in May 1955 recommended liquidation of the service.

While the bill will not come before us in these closing days of the session, I want to urge Members of the House to look into the situation in their own districts after adjournment. The pattern is the same in virtually every post office in the Nation. Deposits are declining. Withdrawals are continuing at an accelerated rate as interest rates increase on savings bond and other savings programs. Post offices are wasting time on this needless banking venture that could better be devoted to the mail service. It is my hope that Members of the House will solicit the views of the postmasters who are familiar with the situation in their communities since I am convinced that they will then recognize the importance of discontinuing this unnecessary activity.

Mr. REES of Kansas. Mr. Speaker, will the gentleman yield?

Mr. MARSHALL. I yield.

Mr. REES of Kansas. I just want to commend the gentleman for the effort he has made in securing the approval of the legislation to which he has just referred.

NINETEEN HUNDRED AND FIFTY-SEVEN WORLD'S CONSERVATION EXPOSITION AND PLOWING CONTESTS, PEEBLES, OHIO

The SPEAKER. Under previous order of the House, the gentleman from Ohio [Mr. POLK] is recognized for 15 minutes.

(Mr. POLK asked and was given permission to revise and extend his remarks and include extraneous matter.)

Mr. POLK. Mr. Speaker, I have asked for this time to tell the Members of the House about the World Conservation Exposition and Plowing Contests which will be held in Ohio on September 17, 18, 19, and 20, 1957. The location of the contests is near Peebles in Adams County. This county is a part of the district I have the privilege of representing.

Digest of CONGRESSIONAL PROCEEDINGS

OF INTEREST TO THE DEPARTMENT OF AGRICULTURE

OFFICE OF BUDGET AND FINANCE
(For Department Staff Only)

Issued August 30, 1957
For actions of August 29, 1957
85th-1st, No. 158

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HIGHLIGHTS: Senate agreed to conference report on mutual security appropriation bill. Rep. Thomson and others introduced and Rep. Thomson discussed bills to extend Wool Act. Rep. Cooley criticized administration's farm program. House passed rice acreage bill.

SENATE

1. MUTUAL SECURITY APPROPRIATION BILL, 1958. Agreed to the conference report on this bill, H. R. 9302, by a vote of 59 to 19, and acted on amendments in disagreement. pp. 15047-51
2. CIVIL RIGHTS. By a vote of 60 to 15, agreed to the House amendments to the Senate amendments to H. R. 6127, the civil rights bill. This bill will now be sent to the President. pp. 14949-15025, 15034-46
3. COTTON DISPOSAL. Received from GSA a proposed notice of a proposed disposition from the national stockpile of approximately 134,384,000 pounds of extra long staple cotton, to Government Operations Committee. pp. 15027-8
The report was also received in the House; to Armed Services Committee.
pp. 14946-7
4. ELECTRIFICATION. Sen. Murray inserted a resolution from a Rural Electric Assn. expressing confidence in REA Administrator Hamil. pp. 15029-30
5. APPROPRIATIONS. Sen. Johnson inserted and discussed a statement showing reductions below the budget. p. 15051
6. PERSONNEL. By a vote of 74 to 2, agreed to the conference report on S. 2377, to amend the law regarding production of statements and reports of witnesses. pp. 15052-6

7. ASC COMMITTEES. Passed without amendment H. R. 8508, to permit certain counties in Minn. and Iowa to have two ASC committees. This bill will now be sent to the President. pp. 15060-1
8. PURCHASING. Passed without amendment H. R. 7536, to continue certain special procurement authorities under Title II of the First War Powers Act, 1941. This bill will now be sent to the President. pp. 15062-4
9. FIBER IMPORTS. Discussed and, at the request of Sen. Case, S. Dak., passed over H. R. 7096, to amend the Tariff Act regarding istle or Tampico fiber. pp. 15061-2
10. BUILDINGS. S. 2533, to authorize GSA to lease space for Federal agencies for periods not exceeding 15 years, was made the unfinished business. p. 15066
11. INFLATION. Sen. Martin, Pa., spoke on the dangers of inflation. p. 15070
12. STATEHOOD. The Interior and Insular Affairs Committee reported with amendments S. 49, to provide statehood for Alaska (S. Rept. 1163), and S. 50, to provide statehood for Hawaii (S. Rept. 1164). p. 15074
13. RECLAMATION; MONOPOLIES. Agreed to resolutions for printing as documents certain material relating to the Central Valley project and the history of the monopoly problem. p. 15061
14. DATE OF CONVENING. Passed without amendment H. J. Res. 453, providing that the 2d regular session of the 85th Congress shall begin at noon on Tues., Jan. 7, 1958. This measure will now be sent to the President.

HOUSE

15. FORESTRY. The House Government Operations Committee, in its Sixteenth Report, on "Army-Interior Reservoir Land Acquisition Policy," (H.Rept. 1185), recommends that:
- "The Department of the Army, the Department of Agriculture, and the Department of the Interior should jointly study, and report back to this committee not later than March 1, 1958, as to the practicability of effecting exchanges of Government forest lands for private forest lands acquired for reservoir projects. In any such exchange procedure, the agency having primary jurisdiction over the public forest land should have the right to determine whether or not the exchange should be made; the exchange should adequately protect watersheds and public hunting and fishing; only comparable types of forest lands should be exchanged, and only on the basis of equal values; timberlands in parks, wildlife refuges, and military and Indian reservations should not be used for such exchanges; and the public interest should be fully protected by such other conditions as may be necessary."
16. BUDGET. Rep. Abernethy criticized the administration's budget and said that fiscal year 1959 budget should be reduced now, while it is in the making. p. 14914
17. TEXTILES. Rep. Coffin spoke regarding the problems of the textile industry and urged consideration of legislation which would make cotton available to our mills at prices to enable them to regain their share of the world market. p. 14914

the prosecuting attorney of Hamilton County, as a judge on the State supreme court at the age of 32, as Solicitor General of the United States, and as a Federal circuit judge, the recognition of his judicial abilities was ably demonstrated.

His readiness to serve his country, and his ability to grasp new responsibilities was shown by his appointment to be president of the Philippine Commission, under President Theodore Roosevelt. His successful leadership in establishing democratic principles in the Philippines brought him personal acclaim and the admiration of the citizens of the Philippines.

In recognition of his talents, President Roosevelt named Taft as Secretary of War in his Cabinet and in 1909, the people elected him to the highest office in the land, the Presidency.

As President, Taft gave the Nation a conservative and sound administration. Legislation to control monopolies was enacted and the Department of Labor was established. His administration was one of peace and prosperity.

In 1921, he again was called to serve his country as Chief Justice of the United States Supreme Court and in this office he found the climactic satisfaction of a mind devoted to the legal profession and dedicated to public service.

Citizens of Ohio, of all political persuasions are mindful of President Taft's life of service and along with the illustrious name of the late Senator Robert Taft, will long be remembered in Ohio as a name synonymous of public service and dedication to the common welfare of our beloved country.

It is my sincere hope that this centennial anniversary of President Taft's birth will be fittingly remembered by the citizens, not only of Ohio, but by all Americans.

MUTUAL SECURITY APPROPRIATIONS, 1958—CONFERENCE REPORT

Mr. JOHNSON of Texas. Mr. President, the distinguished Senator from Arizona [Mr. HAYDEN] has waited for some time to call up the conference report on the mutual security appropriation bill. I wish to congratulate him on his diligence and great effort to produce effective appropriation bills, and to curtail expenditures in our Government. I hope the report may be considered at this time, and that it may be adopted.

Mr. HAYDEN. Mr. President, I submit a report of the committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H. R. 9302) making appropriations for mutual security for the fiscal year ending June 30, 1958, and for other purposes. I ask unanimous consent for the present consideration of the report.

THE VICE PRESIDENT. The report will be read for the information of the Senate.

The legislative clerk read the report.

(For conference report, see House proceedings of August 28, 1957, pp. 14799-14800, CONGRESSIONAL RECORD.)

THE VICE PRESIDENT. Is there objection to the present consideration of the report?

There being no objection, the Senate proceeded to consider the report.

Mr. CASE of South Dakota. Mr. President, some weeks ago I watched with some interest the panel discussion by Mrs. Clare Boothe Luce and Edward R. Murrow following Mr. Murrow's television interview with Tito.

Having served in the House of Representatives with Mrs. Luce, I wrote her my opinion of what I thought was a brilliant analysis of the Tito interview. Subsequently she wrote me and enclosed a copy of a letter which she had sent to the New York Times. That letter was published in the New York Times of Sunday, July 28, 1957. It is a very scintillating analysis of the Tito interview. Because of its application to our foreign aid policy and our relations with Yugoslavia, I ask unanimous consent that the letter of Mrs. Luce be printed in the RECORD at this point as a part of my remarks.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

TITO'S POLICIES ASSESSED: THREAT TO SOVIET EMPIRE SEEN IN IDEOLOGICAL DIFFERENCES

(NOTE.—The writer of the following letter, playwright and former Member of Congress, served until recently as United States Ambassador to Italy.)

To the EDITOR OF THE NEW YORK TIMES:

On June 30 I participated in the panel discussion which followed Edward R. Murrow's televised interview with Tito.

Since that time a steady stream of letters has crossed my desk, many commanding the points I sought to make in the interview, some contending that any optimistic view of Tito's regime or any attempt to justify United States policy toward Yugoslavia constituted a complete endorsement of his dictatorship.

Nothing I said was meant to justify the persecution of Roman Catholicism in Yugoslavia, and of such leaders as Cardinal Stepinac, or Tito's suppression of free speech and the imprisonment of Djilas, which continue throughout history to be very black marks against Tito.

Rather, I sought to isolate those elements in Tito's policies which can give all freemen some hope that the Soviet imperium is breaking up, and that communism itself as an ideology is doomed to failure for the very simple reason that, put into practice, it must continuously lose out, especially in economic competition with free countries.

DIFFERENCES ABOUT COMMUNISM

As the interview unfolded, while Tito continued to play down the size of the ideological differences between communism in Yugoslavia and in the Soviet Union, it became more and more evident that they are not only big, they are tremendous, and that if Tito himself did not play them down he might be inviting a serious rupture with Moscow on the grounds of ideological heresies. For they are not only differences of a practical order between two Communist nations. They are theoretical differences about communism itself.

It also became evident during the interview that Tito was equally aware that if his heresies were to be too openly embraced and too swiftly put into action by the eastern satellites they could lead Poland, Czechoslovakia, and Rumania into open conflict with the Soviet Union, a conflict which would

result either in their sharing the tragic fate of Hungary or in opening a third world war.

In the panel discussion that followed the interview, I sought to define Tito's ideological heresies:

First, the right of a Communist country to national independence from Moscow. It is the exercise of this right by any nation under Kremlin control that has come to be called Titoism. Tito's contention, that Communist states should be equal and sovereign, flies, if not in the face of classic Marxism, certainly in the face of Lenin communism, as interpreted by the Kremlin's ideological exegesis.

SATELLITES' INDEPENDENCE

Tito first raised it in 1948, when he insisted that he and the leaders he chose would run Yugoslavia and kick all Russian stooges out of his country. Since that time Tito has been more or less continually raising the question not only of the independence of Yugoslavia but of all the satellites.

Speaking of recent events in Poland, Tito said, "I think Poland is striving to go along its own path. * * * Since the time when Gomulka came into power, Poland has succeeded in setting its internal problem * * * [this] has a positive influence on neighboring countries."

Tito then made it clear that what he feared during the Hungarian revolution was not that Hungary should acquire independence, but that the struggle if carried too far too fast (which happened) must result in Soviet armed intervention (which happened).

He repeatedly stressed that, while he was firmly for the independence of all the satellites, they must make haste slowly, since there was a real risk of a third world war if complete independence were sought too rapidly, and especially if the independence movement openly included the desire to get rid of not only the Soviet politicians but of communism as well, which happened in Hungary.

AGREEMENT WITH MAO'S VIEWS

His insistence on his own independence and the eventual independence of his satellite neighbors is the first great heresy of Tito. This heresy threatens Moscow with the breakup of its western empire.

Moreover, the interview made it plain that Tito is encouraging and applauding expressions of this same heresy in the Far East. Referring to Mao Tse-tung's recent speech, which struck a distinctly Titoist note or two, Tito said, "Mao Tse-tung said many things which could be classed as new. * * * I am pleased that our views * * * are to a great extent identical."

The second heresy of Tito is the assertion of the theoretical right of an independent Communist nation to create not only its own foreign policies but its own political and economic institutions. This right is, of course, the inescapable corollary of the right to national independence. But it strikes at the very heart of the Marx-Lenin dogma that communism must develop everywhere, in every nation, according to the party line as given by Moscow.

Consequently Titoism threatens to disrupt not only the physical control of the Soviet Union over the satellites, but its ideological control over Communist parties within every nation, including the capitalist nations. The denial of the Kremlin's teaching and the Kremlin's authority to teach is, by the standards of all Communists up to now, a heresy of a major order.

The last, and perhaps in the long run the most dangerous, heresy of Tito is the new emphasis he is giving to the decentralization of economic and political processes within his country.

In the practical application of his theoretical right to develop socialism according to the specific needs of his country Tito has al-

ready created economic and political institutions unique in the Communist world.

Collectivization of the farms was abandoned some years ago. And, "already a few years ago," said Tito, "we have passed to a * * * wide decentralization of government in the economic as well as the administrative field. One of the most pronounced characteristics of our system is the handing over of the factories to the workers' self-government. Then the creation of the communes * * * a new internal administrative organization."

TENET OF DEMOCRACY

These processes Tito defends as a new form of socialism. But whatever name Tito chooses to call these processes of decentralization, the Kremlin itself cannot be deceived: decentralization of political and economic power is the major tenet of political and economic democracy in capitalistic western countries.

Tito has far to go before he ranks as more than a very lukewarm fellow-traveler of capitalism. He will never, in his own time, willingly become less than a complete dictator.

But the real question decentralization raises is that Tito's present long-range aim, the diffusion of political power and economic wealth—is in fact if not in theory the very aim of what President Eisenhower calls "people's capitalism."

Both American idealism and American pragmatism should dictate to the United States to be patient with Tito when he insists on describing this slow Yugoslav evolution toward western-style sovereign political and economic democracy as communism. A rose by any other name will smell as sweet.

CLARE BOOTHE LUCE.

RIDGEFIELD, CONN., July 19, 1957.

Mr. JOHNSON of Texas. Mr. President, I should like to appeal to Members of the Senate to let us complete action on the conference report on the mutual security appropriation bill. I should like to ask for the yeas and nays on the conference report, so that Members will know that we will vote on it very shortly. I now ask for the yeas and nays.

The yeas and nays were ordered.

Mr. SALTONSTALL. Mr. President, will the Senator yield?

Mr. JOHNSON of Texas. I yield to the Senator from Massachusetts.

Mr. SALTONSTALL. I wish to ask the Senator from Arizona a very brief question. Amendment No. 17 in the conference report on the mutual security appropriation bill refers to section 102 of the bill, having to do with publicity and propaganda. It is my understanding there was no intent on the part of the conferees in redrafting the section to change the basic law concerning publicity and propaganda in the mutual security program. Is that correct?

Mr. HAYDEN. That is correct. The basic law on this subject, known as the Dworshak amendment, was adopted to the Mutual Security Act of 1952.

The conference report which referred to the Dworshak amendment contained a paragraph which I ask unanimous consent to have placed in the RECORD at this point.

Without objection, the paragraph was ordered to be printed in the RECORD, as follows:

The committee of conference recognized the desirability of preventing any use of

funds for propaganda in support of the mutual security program. At the same time there should not be any interference with the supplying of full information to the Congress and to the public concerning the operations of the mutual security program. The committee of conference believes that it is possible for those responsible for the administration of the Mutual Security Act to maintain a sharp distinction between propaganda and the supplying of information as to the results attained under the program, and that this section of the conference agreement should not interfere with the recognized procedures for keeping the public and the Congress informed.

Mr. HAYDEN. The new section 102 underlines the purpose of the Dworshak amendment that no funds shall be used for propaganda within the United States. It is not intended to prohibit and it does not prohibit the President or the International Cooperation Administration or the Departments of State and Defense from giving the American people information about the operations of those agencies or the uses to which they are putting the money appropriated for the mutual security program or what the American people are getting for their money.

Mr. SMATHERS. Mr. President, will the Senator from Texas yield?

Mr. JOHNSON of Texas. I yield to the Senator from Florida.

Mr. SMATHERS. I should like to ask the Senator from Arizona a question. I notice from the report, amendment No. 14 eliminates the appropriation of \$20 million by the Senate for the Latin American Economic Development Fund. As to amendment No. 12 it is stated, "The conferees are agreed that not less than \$20 million of this appropriation shall be for Latin America." Was it the feeling of the conferees that the \$20 million which was stricken in amendment No. 14 would be taken from the special assistance fund, as provided in section 400 (a) ?

Mr. HAYDEN. Thereby even more than \$20 million would be available, whereas originally not more than \$20 million would be available.

Mr. SMATHERS. In view of the action of the conferees, is it the belief of the conferees and of the Senator that the \$20 million can be used in the same fashion as originally contemplated by the provisions of section 400 (b) ?

Mr. HAYDEN. Yes.

Mr. SMATHERS. Mr. President, I ask unanimous consent to have printed in the RECORD at this point a statement I have prepared in connection with this amendment.

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

STATEMENT BY SENATOR SMATHERS

I cannot help but express a keen sense of disappointment over the conference report on the foreign aid appropriations bill, though I recognize that our Senate conferees fought valiantly for the measure as passed by the Senate.

In the mutual security authorization bill, I was successful in getting the Senate Foreign Relations Committee to recommend and the

Senate to adopt an amendment which I proposed setting up a Special Economic Development Fund for Latin America in the amount of \$25 million. The Senate Appropriations Committee recommended an appropriation of \$20 million and the Senate agreed to the recommendation by giving it overwhelming support. The funds under this program were to be utilized for the purpose of promoting health, education, sanitation, and land resettlement projects in Latin America on a 90 percent loan basis. It was no give away or handout proposal. Last year the Congress provided \$15 million for this purpose and the good will engendered by the program which was started is inestimable. It was a program which the Latin Americans long sought from its good neighbor, the United States. It was a program which made it possible for our Latin American friends to maintain their own self-respect.

The House, on the other hand, though it accepted the authorization measure, failed to appropriate any funds for this worthwhile constructive program. Though recognizing that the House was operating under an atmosphere of economy, I cannot help but believe that they failed to fully realize the full beneficial effect of this program in our relations with Latin America. Knowing of the many friends which Latin America has in the House of Representatives, I am still hopeful that in a future supplemental appropriations bill they will see fit to correct what I believe to be an unintentional and harmful mistake with respect to our relations with our good neighbors to the south.

From my understanding of the conference report, some ground was held by our conferees. I would now like to ask the distinguished chairman if I am correct in the understanding that under the special assistance program, that the conferees were in full agreement that no less than \$20 million of the \$226 million appropriated are to be earmarked for Latin America?

With this understanding, though I have serious reservations with respect to other items in the foreign-aid program, I will reluctantly support the conference report.

Since hope springs eternal, I trust that I am not being too optimistic in entertaining the hope that at a later date when supplemental appropriations are being considered, that both the Senate and the House will see fit to appropriate sufficient moneys to continue the program which I proposed and had adopted last year designed solely for the purpose of further improving our good neighbor relations and increased trade with Latin America.

Mr. CLARK. Mr. President, will the Senator yield?

Mr. JOHNSON of Texas. I yield to the Senator from Pennsylvania.

Mr. CLARK. Will the Senator from Arizona agree with me that the colloquy between us with respect to section 102 yesterday still represents the legislative history with respect to section 102, having to do with the right of the ICA to continue to inform the American people with respect to their programs?

Mr. HAYDEN. I stated that yesterday. I repeated it this evening. That understanding is correct.

Mr. SMITH of New Jersey. Mr. President, in connection with the mutual security program, I want to take this opportunity to pay a tribute to my colleagues in the Senate. As my friends know, I have been deeply interested in our foreign policy ever since I came to

the Senate 13 years ago and I have been particularly interested in helping as best I could, in the development of our so-called foreign aid program. I was one of those who worked continuously with the study we had made last year of the new approach to the mutual security program and was most hopeful that the reports of the investigators whom we chose from among the most expert in the country would be accepted as a basis for the new approach. The results of these studies and the independent studies that the President had made gave us what might be called a new look on our mutual security program. There was no difference of opinion by any of those who participated in the studies as to the need to continue the program and especially the need for the support of our military aid and defense assistance for our allies in various parts of the world.

Also it was felt that from the standpoint of the underdeveloped countries we should provide for a long-range revolving loan fund to enable those countries to secure their economic stability and to aid them in developing their own freedom, independence, and self-determination so that they could remain among the nations dedicated to freedom. This

is a critical issue of our foreign policy and I believe is the strongest supporting pillar of the President's whole program.

Reviewing the action of the Senate, I call attention to the fact that the President originally asked the \$3.8 billion. The Senate reported a bill authorizing \$3.6 billion. The Senate vote on this authorization bill was 57 to 25. The Senate brought the House appropriation bill in Conference up to \$3.3 billion and finally in the Appropriations Committee, the Senate restored \$500 million of the House slash of \$800 million bringing the appropriation up to \$3.025 billion. The Senate vote on this appropriation was 62 to 25. We have now witnessed the most unfortunate development, namely the unwillingness of the House to go above \$2.7 billion for the final appropriation for fiscal 1958. This is a devastating defeat not only for the President but for the safety of America. However, I want to take this opportunity to pay a tribute to our Senate leadership—our majority leader, the Honorable LYNDON B. JOHNSON and our minority leader, the Honorable WILLIAM F. KNOWLAND. Their work was one of the finest evidences of bipartisan teamwork and last ditch fighting in sup-

port of the administration and the security of our country.

The only conclusion I can possibly draw from this development is that there are those in the House and especially on the House Appropriations Committee who are determined to destroy the mutual security program. The matter needs our immediate attention and at the beginning of next year we must press the fight vigorously to present to the American people the issue involved in these unfortunate developments this year.

Mr. HAYDEN. Mr. President, I move that the Senate insist on its amendment numbered 15.

The VICE PRESIDENT. The question is on agreeing to the motion of the Senator from Arizona.

The motion was agreed to.

Mr. HAYDEN. Mr. President, I ask unanimous consent to have printed in the RECORD at this point a table which reflects the action of the two Houses on the mutual security appropriation bill, as well as the final amounts agreed to in conference.

There being no objection, the table was ordered to be printed in the RECORD, as follows:

Mutual security program, fiscal year 1958

[In thousands of dollars]

	Appropriation, 1957	1958 authorization				1958 appropriation				Final appropriation compared with—			
		Request	Senate	House	Conference	Estimate	House	Senate	Conference	1957 appropriation	1958 estimate	House	Senate
MUTUAL DEFENSE ASSISTANCE													
Military assistance:													
Appropriation	2,017,500	1,900,000	1,800,000	1,500,000	1,600,000	1,600,000	1,250,000	1,475,000	1,340,000	-677,500	-260,000	+90,000	-135,000
Unobligated and unreserved balance	195,500	(2)	(2)	(2)	(2)	538,800	538,800	538,800	538,800	+343,300			
Total, military assistance	2,213,000	1,900,000	1,800,000	1,500,000	1,600,000	2,138,800	1,788,800	2,013,800	1,878,800	-334,200	-260,000	+90,000	-135,000
Defense support:													
Appropriation	1,161,700	900,000	800,000	600,000	750,000	750,000	585,000	689,000	689,000	-472,700	-61,000	+104,000	
Unobligated balance							36,000	36,000	36,000	+36,000			
Total, defense support	1,161,700	900,000	800,000	600,000	750,000	750,000	621,000	725,000	725,000	-436,700	-25,000	+104,000	
Total, mutual defense assistance	3,374,700	2,800,000	2,600,000	2,100,000	2,350,000	2,888,800	2,409,800	2,738,800	2,603,800	-770,900	-285,000	+194,000	+135,000
ECONOMIC AND TECHNICAL COOPERATION													
Development assistance:													
Appropriation	250,000									-250,000			
Unobligated balance		(2)	(2)	(2)	(2)	52,000	52,000	52,000	52,000	+52,000			
Total, development assistance	250,000												
Development loan fund	250,000	500,000	450,000	500,000	350,000	52,000	52,000	52,000	52,000	-198,000			
Technical cooperation:													
General authorization:													
Appropriation	135,000	151,900	151,900	151,900	151,900	151,900	113,000	114,900	113,000	-22,000	-38,900		-1,900
Unobligated balance							12,000	12,000	12,000	+12,000	+12,000		
Total, general authorization	135,000	151,900	151,900	151,900	151,900	151,900	125,000	126,900	125,000	-10,000	-26,900		-1,900
United Nations program	15,500	15,500	15,500	15,500	15,500	15,500	15,500	15,500	15,500				
Organization of American States	1,500	1,500	1,500	1,500	1,500	1,500	1,500	1,500	1,500				
Total, technical cooperation	152,000	168,900	168,900	168,900	168,900	168,900	142,000	143,900	142,000	-10,000	-26,900		-1,900
Total, economic and technical cooperation	402,000	668,900	668,900	668,900	668,900	720,900	494,000	595,900	494,000	+92,000	-226,900		-101,900

Footnotes at end of table.

Mutual security program, fiscal year 1958—Continued

[In thousands of dollars]

	Appropriation, 1957	1958 authorization				1958 appropriation				Final appropriation compared with—			
		Request	Senate	House	Conference	Estimate	House	Senate	Conference	1957 appropriation	1958 estimate	House	Senate
OTHER PROGRAMS													
Special assistance, general authorization.		300,000	250,000	250,000	250,000	250,000	175,000	225,000	225,000	+225,000	-25,000	+50,000	-20,000
Special assistance, Latin America.		25,000	25,000	25,000	25,000	25,000	20,000				-25,000		
Special Presidential fund.	100,000									-100,000			
Joint control areas.	12,200	11,500	11,500	11,500	11,500	11,500	11,500	11,500	11,500	-700			
Intergovernmental Committee for European Migration.	12,500	(?)	(?)	(?)	(?)	12,500	12,500	12,500	12,500				
United Nations refugee fund.	1,900	2,233	2,233	2,233	2,233	2,233	2,233	2,233	2,233	+338			
Escapee program.	6,000	5,500	5,500	5,500	5,500	5,500	5,500	5,500	5,500	-500			
United Nations Relief and Works Agency: Unobligated balance.	45,300	(2)	(2)	(2)	(2)	23,800	23,800	23,800	23,800	-21,500			
United Nations children's fund.	10,000	11,000	11,000	11,000	11,000	11,000	11,000	11,000	11,000	+1,000			
North Atlantic Treaty Organization.		(?)	(?)	(?)	(?)	2,700	1,500	1,500	1,500	+1,500	-1,200		
Ocean freight.	2,500	2,200	2,200	2,200	2,200	2,200	2,200	2,200	2,200	-300			
Control Act expenses.	1,175	1,300	1,000	1,000	1,000	1,000	1,000	1,000	1,000	-175			
Administrative expenses:													
International Cooperation Administration.	29,018	35,000	33,000	32,500	32,750	32,750	32,750	32,750	32,750	+3,732			
State Department.	4,577	(?)	(?)	(?)	(?)	4,577	4,577	4,577	4,577				
Atoms for peace:													
Appropriation.	5,500	7,000	7,000	-7,000	7,000	7,000				-5,500	-7,000		
Unobligated balance.							4,450	4,450	4,450	+4,450	+4,450		
Total, atoms for peace.	5,500	7,000	7,000	7,000	7,000	7,000	4,450	4,450	4,450	-1,050	-2,550		
Total, other programs.	230,670	375,733	348,433	347,933	348,183	391,760	288,010	358,010	338,010	+107,340	-53,750	+50,000	-20,000
Total, mutual security:													
Appropriation.	3,766,570	3,844,633	3,617,333	3,116,833	3,367,083	3,336,860	2,524,760	3,025,660	2,768,760	-997,810	-618,100	+244,000	-256,900
Unobligated balances.	240,800	614,600	614,600	614,600	614,600	614,600	667,050	667,050	667,050	+426,250	+52,450		
Total.	4,007,370	4,459,233	4,231,933	3,731,433	3,981,683	4,001,460	3,191,810	3,692,710	3,435,810	-571,560	-565,650	+244,000	-256,900
Add continuing authorizations.		19,777	19,777	19,777	19,777								
Comparable totals.		4,479,010	4,251,710	3,751,210	4,001,460								

¹ Also authorized \$1,500,000,000 for fiscal year 1959.² Unobligated balances authorized to be continued available.³ Also authorized \$710,000,000 for fiscal year 1959.⁴ Also authorized additional \$750,000,000 borrowing authority for each of fiscal years 1959 and 1960.⁵ In addition, \$625,000,000 authorized in fiscal year 1959 on no-year basis.⁶ Authorized to remain available until expended.⁷ Continuing authorizations already in law: For ICEM and NATO, unlimited; for State Department administrative expenses, not to exceed \$7,000,000 per annum.

Mr. HAYDEN. Mr. President, I ask unanimous consent to have printed in the RECORD at this point a summary table showing the budget estimates for 1958, the amounts passed by the House, the amounts passed by the Senate, the amount provided by the public law finally enacted, and the differences be-

tween the budget estimates and the public law.

The budget estimates or appropriation requests total \$64 billion plus, the public law or the amount enacted total \$59 billion, a reduction from the estimates in the amount of approximately \$5 billion. This constitutes a reduction of 7.7 percent. There is also included a table

which is designed to reconcile the amounts in the January budget of new obligational authority with the budget estimates considered by the two committees on appropriation.

There being no objection, the tables were ordered to be printed in the RECORD, as follows:

Table of appropriation bills, 1958—85th Cong., 1st sess.

	Budget estimate (1)	Passed by House (2)	Passed by Senate (3)	Public law (4)	Difference (col. 1 minus col. 4)	Percent of reduction
Agriculture.	\$3,965,446,617	\$3,692,889,757	\$3,668,972,157	\$3,666,543,757	-\$298,902,860	7.5
Commerce.	871,513,000	653,685,060	613,584,290	597,790,225	-273,722,775	31.4
Defense.	36,128,000,000	33,562,725,000	34,534,229,000	33,759,850,000	-2,368,150,000	6.6
District of Columbia.	25,504,450	22,504,450	23,004,450	22,504,450	-3,000,000	11.8
General Government.	20,921,870	16,021,370	16,010,370	16,010,370	-4,911,500	23.5
Independent offices.	5,923,195,000	5,385,201,700	5,378,594,800	5,373,877,800	-549,317,200	9.3
Interior.	515,189,700	454,395,700	457,152,600	456,189,600	-59,000,100	11.5
Labor—Health, Education, and Welfare.	2,981,277,581	2,840,831,581	2,885,290,781	2,871,182,781	-110,094,800	3.7
Legislative.	108,271,443	78,370,285	104,844,660	104,844,660	-3,426,783	3.2
Mutual security.	3,386,860,000	2,524,760,000	3,025,660,000	2,768,760,000	-618,100,000	18.2
Public works.	876,453,000	814,813,023	884,151,323	858,094,323	-18,358,677	2.1
State, Justice, Judiciary.	665,649,802	563,799,793	563,085,293	562,891,293	-102,758,509	15.4
Treasury—Post Office.	3,965,291,000	3,884,927,000	3,884,927,000	3,884,927,000	-80,364,000	2.0
Additional Post Office, 1958.	149,500,000	133,000,000	133,000,000	133,000,000	-16,500,000	11.0
Supplemental, 1958.	1,973,767,827	1,581,590,587	1,824,001,547	1,734,011,947	-239,755,880	12.1
Atomic Energy Commission.	2,491,625,000	2,299,718,500	2,323,632,500	2,323,632,500	-167,992,500	6.7
Total.	64,048,466,290	58,515,233,806	60,320,140,771	59,134,110,706	-4,914,355,584	7.7

NOTE.—Does not include permanent authorizations estimated in budget at \$8,028,790,630.

FISCAL YEAR 1958

Reconciliation of January budget figure for new obligational authority of \$73.3 billion with budget estimates of appropriations of \$64 billion

[In billions]

(1)	(2)	(3)	(4)
Budget estimates for appropriations submitted to Appropriations Committees.....		\$64.0	
Permanent appropriations requiring no action by Congress.....		+8.0	
Items included in budget document for new obligational authority not submitted to Appropriations Committees for appropriations:			
Mutual Security Program:			
January budget.....	\$4.400		
Message of Aug. 14.....	-3.387		
Department of Agriculture:		\$1.013	
Regular items.....	.254		
Debt receipt items.....	.509		
Housing legislation (debt receipt item)		.763	
Military public works.....		1.025	
School construction.....		.457	
Defense Department.....		.451	
Veterans' Administration.....		.136	
St. Lawrence seaway (debt receipt item).....		.100	
Allowance for contingencies and miscellaneous items not submitted (net).....		.085	
		.675	
		+4.6	
Total.....		76.6	
Deduct: Post office amounts included in budget estimate of appropriations but not included in new obligational figure in budget.....		-3.3	
January budget figure of new obligational authority.....		73.3	

The VICE PRESIDENT. The question is on agreeing to the conference report.

MR. RUSSELL. Mr. President, the yeas and nays have been ordered.

The VICE PRESIDENT. On this question the yeas and nays have been ordered, and the Secretary will call the roll.

The legislative clerk called the roll.

MR. MANSFIELD. I announce that the Senators from New Mexico [Mr. ANDERSON and Mr. CHAVEZ], the Senator from North Carolina [Mr. ERVIN], the Senator from South Carolina [Mr. JOHNSTON], the Senator from Oklahoma [Mr. KERR], the Senator from Oregon [Mr. MORSE], the Senator from West Virginia [Mr. NEELY], and the Senator from Alabama [Mr. SPARKMAN] are absent on official business.

On this vote, the Senator from New Mexico [Mr. CHAVEZ] is paired with the Senator from South Carolina [Mr. JOHNSTON]. If present and voting, the Senator from New Mexico would vote "yea" and the Senator from South Carolina would vote "nay."

The Senator from Oklahoma [Mr. KERR] is paired with the Senator from Alabama [Mr. SPARKMAN]. If present and voting, the Senator from Oklahoma would vote "nay" and the Senator from Alabama would vote "yea."

I further announce that if present and voting, the Senator from West Virginia [Mr. NEELY] would vote "yea."

MR. DIRKSEN. I announce that the Senator from New Hampshire [Mr. BRIDGES] and the Senator from Maine [Mr. PAYNE] are absent because of illness.

The Senator from Ohio [Mr. BRICKER], the Senator from Kansas [Mr. CARLSON], and the Senator from Indiana [Mr. JENNER] are necessarily absent.

The Senator from Maryland [Mr. BUTLER], the Senator from Indiana [Mr. CAPEHART], and the Senator from Nevada [Mr. MALONE] are absent on official business.

The Senator from Vermont [Mr. FLANDERS] and the Senator from Kentucky [Mr. MORTON] are detained on official business.

If present and voting, the Senator from Vermont [Mr. FLANDERS] and the Senator from Kentucky [Mr. MORTON] would each vote "yea."

On this vote the Senator from Maryland [Mr. BUTLER] is paired with the Senator from Ohio [Mr. BRICKER]. If present and voting, the Senator from Maryland would vote "yea" and the Senator from Ohio would vote "nay."

On this vote the Senator from Indiana [Mr. CAPEHART] is paired with the Senator from Nevada [Mr. MALONE]. If present and voting, the Senator from Indiana would vote "yea" and the Senator from Nevada would vote "nay."

Also, on this vote the Senator from Maine [Mr. PAYNE] is paired with the Senator from Indiana [Mr. JENNER]. If present and voting, the Senator from Maine would vote "yea" and the Senator from Indiana would vote "nay."

The result was announced—yeas 59, nays 19, as follows:

YEAS—59

Alken	Hill	Neuberger
Allott	Holland	O'Mahoney
Beall	Humphrey	Pastore
Bennett	Ives	Potter
Bush	Jackson	Proxmire
Carroll	Javits	Purtell
Case, N. J.	Johnson, Tex.	Revercomb
Case, S. Dak.	Kefauver	Saltonstall
Church	Kennedy	Schoeppel
Clark	Knowland	Scott
Cooper	Kuchel	Smathers
Cotton	Lausche	Smith, Maine
Dirksen	Magnuson	Smith, N. J.
Douglas	Mansfield	Symington
Fulbright	Martin, Iowa	Thye
Gore	Martin, Pa.	Watkins
Green	McNamara	Wiley
Hayden	Monroney	Williams
Hennings	Mundt	Yarborough
Hickenlooper	Murray	

NAYS—19

Barrett	Frear	Russell
Bible	Goldwater	Stennis
Byrd	Hruska	Talmadge
Curtis	Langer	Thurmond
Dworshak	Long	Young
Eastland	McClellan	
Ellender	Robertson	

NOT VOTING—18

Anderson	Chavez	Malone
Bricker	Ervin	Morse
Bridges	Flanders	Morton
Butler	Jenner	Neely
Capehart	Johnston, S. C.	Payne
Carlson	Kerr	Sparkman

So the report was agreed to.

MR. THYE. Mr. President, this completes the consideration of the appropriation bill, and I should like to be recognized in order to pay tribute to the chairman, the Senator from Arizona [Mr. HAYDEN]. The chairman has been present at practically all the committee hearings and committee sessions. It is difficult to understand how he was able to devote so much time and to carry through in such a manner as he has during the lengthy hearings which were conducted and which were necessary in the development of the appropriation bills.

I simply want to invite attention of this Senate to the splendid service to his country the Senator from Arizona [Mr. HAYDEN], as chairman of the Appropriations Committee, has rendered.

REDUCTION IN APPROPRIATION BELOW THE BUDGET REQUESTS

MR. JOHNSON of Texas. Mr. President, now that the Senate has acted upon the last of the appropriation bills, it is possible to get a picture of the accomplishments this year.

All of us, I believe, recall the statement by the Secretary of Treasury concerning the budget. The then Secretary said it would have to be cut to avoid a hair-curling depression.

I have before me figures which have been prepared by my staff. They show that when all the bills are taken into account, this Congress has reduced the President's budget by \$5,927,495,584—9.1 percent.

I hope that is enough to avoid having our hair curled by former Secretary Humphrey. But in any event it is gratifying. It represents a substantial saving from the appropriations which were requested.

I ask unanimous consent that the table prepared by my staff be printed in the RECORD as part of my remarks.

There being no objection, the table was ordered to be printed in the RECORD as follows:

Budget estimates:	
Regular bills submitted.....	\$56,046,713,463
Post Office supplemental.....	149,500,000
Mutual security.....	4,400,000,000
Supplemental.....	1,973,767,827
Atomic energy.....	2,491,625,000
Total.....	65,061,606,290
Appropriations made:	
Regular bills enacted.....	52,174,706,259
Post Office supplemental.....	133,000,000
Mutual security.....	2,768,240,000
Supplemental.....	1,734,011,947
Atomic energy.....	2,323,632,500
Total.....	59,134,110,706
Total reduction from estimates.....	5,927,495,584
Percentage reduction.....	9.1

**THE NEW AIR FORCE ACADEMY
CHAPEL**

Mr. FLANDERS. I have before me a drawing which shows the new chapel to be built at the Air Force Academy in Colorado Springs, Colo. It is a strange creation. I exhibit it to my colleagues.

I have written a letter to the Secretary of the Air Force on that subject, which I now read:

AUGUST 28, 1957.

Hon. JAMES H. DOUGLAS,
Secretary of the Air Force,
Washington, D. C.

DEAR MR. SECRETARY: I have been astonished to find that the properly criticized design for the chapel at the Air Force Academy at Colorado Springs has been appropriated for in the supplemental appropriation bill. As a member of the Defense Subcommittee of the Appropriations Committee I had an opportunity to look over the designs for the Academy 2 years ago and in my judgment they seemed satisfactory for their purposes throughout except for this chapel.

A chapel building for the Air Force should inspire reverence and the spirit of worship. There isn't a scintilla of reverence or worship in this building. It is just something dreamed up by the architects to be as different as possible from any proper house of worship.

A chapel for worship does not have to be a classical structure. It does not have to be Romanesque. It does not have to be Gothic. It does not have to be Renaissance. It does not have to be Baroque. It does not have to be Georgian. It can be as plain and simple as a Quaker meetinghouse. It can be as modern as is the rest of the design of the Academy.

Any of these things it can be. But it cannot be the antithesis of reverence and worship. The proposed structure is a deliberate insult to God Almighty. I hope you will take a look at it yourself and pass judgment upon it.

Please stop it.

Sincerely yours,

RALPH E. FLANDERS.

Mr. ALLOTT. I should like to associate myself with the remarks of the Senator from Vermont [Mr. FLANDERS], on his letter to the Secretary of the Air Force respecting the Air Force Academy.

Despite the opinions of many Members of Congress, and many, many other people throughout the length and breadth of the United States, 2 years ago with respect to the construction of a chapel at the Air Force Academy, we are now faced with a design of that chapel which, I would say, in even modest language, is more atrocious than the first. I do not know what concept of worship the architects of the structure may have. I know that this chapel design resembles nothing that has ever been seen or dreamed of in the minds of sane men. It is my sincere hope that somewhere along the way the Secretary of the Air Force, and members of the Armed Services Committee and the Appropriations Committee will see fit to take another look at the designs for the Air Force Academy near Colorado Springs, particularly the so-called chapel bearing in mind the need for an edifice for worship which will more nearly approximate the ideas, the ideals, the concepts and the customs of this country.

Mr. STENNIS. Mr. President, will the Senator yield to me?

Mr. ALLOTT. I am happy to yield to the Senator from Mississippi.

Mr. STENNIS. Mr. President, I wish to commend the Senator from Colorado for the remarks he has made with reference to the Air Force Academy chapel which is being constructed in the Senator's home State. This afternoon I saw a representation of what the chapel will be if built. I served on the subcommittee of the Committee on Armed Services which approved the authorization for the chapel. We thought it would be more a cathedral than it would be a chapel, since they were asking \$3,000,000 to build it, as I recall.

I was so shocked when I saw the representation this afternoon that I intend to protest to the Air Force. If the Air Force does not withhold action and have new plans prepared, I shall feel compelled to introduce a resolution to cancel the authorization for the chapel until it can be further considered.

I thank the Senator.

Mr. ALLOTT. I appreciate the remarks of the Senator from Mississippi.

Mr. ROBERTSON. Mr. President, will the Senator yield?

Mr. ALLOTT. I yield to the able Senator from Virginia.

Mr. ROBERTSON. Mr. President, I am quite familiar with the subject which has been discussed. We now have serving the third Secretary of the Air Force since this project was started.

When the project was begun the first Secretary of the Air Force to consider it assured me the chapel would not be built along the lines now indicated.

The second Secretary of the Air Force to serve assured me that the chapel would not be built in this manner.

We now have a report on the design, as the Senator from Colorado has said, which is worse than the array of wigwams, or whatever one might call the design, and it is planned to build the chapel along those lines. It is planned to build it of a combination of glass and aluminum.

As the Senator from Vermont [Mr. FLANDERS] has stated, never in this country or abroad in any civilized land has anybody ever attempted to worship any known God in a building of such a character.

In spite of all the protests we have made for 3 consecutive years, the Chicago architects have been determined to go ahead with this chapel, and the third Secretary of the Air Force to consider it, we understand, has now O. K.'d the design, although it is going to be the most expensive church in the most expensive school this Nation has ever built.

The entire project is going to cost about twice what we had contemplated, and the initial cost of the project is more than all we have spent in its entire history on the United States Military Academy at West Point.

Mr. O'MAHONEY and Mr. NEUBERGER addressed the chair.

Mr. ALLOTT. I yield first to the Senator from Wyoming.

Mr. O'MAHONEY. Mr. President, I ask the Senator from Colorado to yield to me for the purpose of presenting a conference report.

Mr. ALLOTT. I shall be glad to yield to the Senator from Wyoming, with the understanding that I may retain the floor after the conference report is acted upon.

Mr. JOHNSON of Texas. Mr. President, will the Senator yield to me for a moment?

Mr. ALLOTT. I am happy to yield to the Senator from Texas.

Mr. JOHNSON of Texas. Mr. President, we have an important conference report to consider. We are going to ask for the yeas and nays as soon as the conference report is called up. I should like all Senators to be on notice that it is a conference report relating to S. 2377, the bill providing procedures for the production of Government records.

When we conclude action on the conference report, we shall take up S. 2792, the immigration bill which recently passed the Senate, and to which the House has added some amendments. We will wish to ask concurrence in the House amendments.

I hope we will be able to have the yeas-and-nay vote as soon as possible, so that Senators who may not be interested in participating in the other discussions can answer to their names when the roll is called, and afterward we can have consideration of some noncontroversial bills and discussion of other matters.

Mr. ALLOTT. Mr. President, I desire to conclude in 30 seconds, if I may, and then I shall yield for the presentation of the conference report.

I consider the design of the chapel offensive to the inherent religious beliefs of the American people. It is my sincere hope that enough pressure will be brought to get this whole matter reconsidered, so that all Americans may then feel that this chapel is really a house of God.

I yield the floor.

Mr. NEUBERGER. Mr. President, will the Senator yield?

Mr. ALLOTT. I have yielded the floor.

PROCEDURES FOR THE PRODUCTION OF GOVERNMENT RECORDS IN CRIMINAL CASES—CONFERENCE REPORT

Mr. O'MAHONEY. Mr. President, I submit a report of the committee of conference on the disagreeing votes of the two Houses on the amendment of the House to the bill (S. 2377) to amend chapter 223, title 18, United States Code, to provide for the production of statements and reports of witnesses. I ask unanimous consent for the present consideration of the report.

The VICE PRESIDENT. The report will be read for the information of the Senate.

The legislative clerk read the report, as follows:

The committee of conference on the disagreeing votes of the two Houses on the amendment of the House to the bill (S. 2377) to amend chapter 223, title 18, United States Code, to provide for the production of statements and reports of witnesses, having met, after full and free conference, have agreed to recommend and do recommend to their respective Houses as follows:

Digest of CONGRESSIONAL PROCEEDINGS

OF INTEREST TO THE DEPARTMENT OF AGRICULTURE

OFFICE OF BUDGET AND FINANCE
(For Department Staff Only)

Issued September 3, 1957
For actions of August 30, 1957
85th-1st, No. 159

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HIGHLIGHTS: House agreed to conference report on mutual security appropriation bill. Both Houses agreed to conference report on bill to extend Reorganization Act. Senate passed bills to require State contributions to Federal disaster relief and to adjust dates for claims in emergency feed program. Sen. Neuberger objected to Budget Bureau expenditure reductions.

HOUSE

1. MUTUAL SECURITY APPROPRIATION BILL, 1958. By a vote of 194-122, agreed to the conference report on this bill, H. R. 9302. This bill will now be sent to the President. pp. 15253-62
2. FARM PROGRAM. Rep. Christopher and others debated the farm program. pp. 15274-6
3. PERSONNEL. By a vote of 315 to 0, agreed to the conference report on S. 2377, to provide for production of statements and reports of witnesses in loyalty cases, etc. This bill will now be sent to the President. pp. 15248-53
4. INTERGOVERNMENTAL RELATIONS. Rep. Reuss inserted an appraisal of Federal-State-local relationships, by the American Municipal Association. pp. 15266-8
5. APPROPRIATIONS. Rep. Budge inserted a table showing Congressional action on appropriations for the 85th Congress, 1st Session. p. 15287
6. ADJOURNED sine die. p. 15290

SENATE

7. DISASTER RELIEF. Passed without amendment S. 304, to require State contributions in connection with Federal disaster relief programs. pp. 15186, 15216-17
8. BUDGET. Sen. Neuberger objected to Budget Bureau procedures intended to result in reducing expenditures below the appropriation level, and inserted letters from the Budget Bureau and others on the matter. pp. 15099-101
Sen. Byrd urged further reductions in expenditures. pp. 15204-5

9. BUILDINGS. Passed as reported S. 2533, to authorize GSA to lease space for Federal agencies for periods not exceeding 15 years. p. 15193
10. IMPORTS. Passed with amendments H. R. 7096, to amend the Tariff Act so as to permit duty-free importation of istle or Tampico fiber. Agreed to an amendment by Sen. Beall to permit duty-free importation of certain wool yarn. The House later concurred in the Senate amendments. This bill will now be sent to the President. pp. 15183-4, 15278
11. STATEHOOD. Received minority reports on S. 409 providing Alaska statehood, and S. 50, providing Hawaii statehood (S. Repts. 1163 and 1164, pt. 2). p. 15080
12. COTTON. Sen. Saltonstall said New England cotton textile mills are at a disadvantage, as compared with their competitors, because they must buy cotton at price-support levels. p. 15097
13. WATER RESOURCES. Sen. Johnson commended congressional actions for development of the Nation's water resources. p. 15112
Johnson
14. LEGISLATIVE ACCOMPLISEMENTS. Sens. /and Knowland summarized this year's congressional accomplishments. pp. 15112-51, 15246
15. TOBACCO. Sen. Cooper defended the tobacco price-support program. pp. 15160-5
16. COMMITTEE ASSIGNMENTS. Sen. Proxmire was assigned to the Small Business Committee, Banking and Currency Committee, and Post Office and Civil Service Committee. Sen. Monroney was excused from the Small Business Committee, Sen. Lausche from Banking and Currency, and Sen. Clark from Post Office and Civil Service. p. 15194
17. FORESTRY. Sen. Humphrey inserted and commended a recommendation by Rep. Blatnik for reforestation along the Federal highways. pp. 15209-10
Passed without amendment H. R. 7900, to permit USDA to sell land in Ottawa County, Mich., which was acquired pursuant to Title III of the Bankhead-Jones Farm Tenant Act. This bill will now be sent to the President. p. 15193
Passed without amendment H. R. 580, to authorize exchange with Missouri of certain land in the Clark and Mark Twain National Forests. This bill will now be sent to the President. p. 15197
18. REORGANIZATION. Both Houses agreed to the conference report on S. 1791, to extend the Reorganization Act of 1949 for two additional years, so as to apply to Presidential reorganization plans submitted before June 1, 1959. The final language of the bill also provides that a majority of those voting in either House (instead of a majority of the constituency of either House) may nullify a reorganization plan. This bill will now be sent to the President. pp. 15205, 15248
19. PERSONNEL. Sen. Humphrey recommended that the President sign the pay raise bills and inserted a Library of Congress analysis of pay raises for major officials in the last few years. pp. 15213-16
20. CCC CLAIMS. Passed with amendment H. R. 2486, to authorize CCC to grant relief with respect to claims arising out of certain deliveries of eligible surplus feed grains on ineligible dates in connection with purchase orders under its emergency feed program. The House later concurred in the amendment. This bill will now be sent to the President. pp. 15216, 15277, 15285-6

Kilday	Natcher	Selden
Kilgore	Neal	Shelley
King	Nimtz	Sheppard
Kitchin	Norrell	Shuford
Knox	O'Brien, Ill.	Sieminski
Knutson	O'Brien, N. Y.	Simpson, Pa.
Laird	O'Hara, Ill.	Sisk
Lane	O'Hara, Minn.	Smith, Miss.
Lankford	O'Konski	Smith, Va.
Latham	Ostertag	Smith, Wis.
Lennon	Passman	Spence
Long	Patman	Springer
McCarthy	Patterson	Staggers
Mccormack	Pelly	Stauffer
McCulloch	Perkins	Steed
McFall	Pfost	Sullivan
McGovern	Philbin	Taber
McGregor	Poage	Talle
McIntire	Poff	Teller
McIntosh	Polk	Tewes
McMillan	Porter	Thomas
McVey	Price	Thompson, La.
Macdonald	Prouty	Thomson, Wyo.
Machrowicz	Rabaut	Thornberry
Mack, Wash.	Radwan	Tollefson
Madden	Ray	Trimble
Magnuson	Reed	Tuck
Mahon	Rees, Kans.	Ullman
Marshall	Reuss	Utt
Martin	Rhodes, Ariz.	Van Pelt
Matthews	Rhodes, Pa.	Van Zandt
May	Riley	Vorys
Meader	Roberts	Wainwright
Merrow	Robeson, Va.	Watts
Metcalf	Rodino	Weaver
Michel	Rogers, Colo.	Westland
Miller, Md.	Rogers, Fla.	Whitener
Miller, Nebr.	Rogers, Mass.	Whitten
Miller, N. Y.	Rogers, Tex.	Widnall
Mills	Rutherford	Wigglesworth
Minshall	Santangelo	Williams, Miss.
Montoya	St. George	Willis
Moore	Saund	Wilson, Calif.
Morano	Saylor	Wilson, Ind.
Morris	Schenck	Winstead
Morrison	Scherer	Wolverton
Moulder	Schwengel	Wright
Multer	Scott, N. C.	Yates
Mumma	Scudder	Zablocki
Murray	Seely-Brown	Zelenko

NOT VOTING—117

Abbitt	Gordon	Norblad
Alger	Green, Oreg.	O'Neill
Allen, Calif.	Green, Pa.	Osmers
Anderson, Mont.	Griffiths	Pilcher
Anfuso	Gwinn	Pillion
Bailey	Halleck	Powell
Barden	Harden	Preston
Barrett	Harvey	Rains
Beamer	Hays, Ohio	Reece, Tenn.
Belcher	Hiestand	Riehlman
Bennett, Mich.	Hill	Rivers
Bentley	Hillings	Robison, Ky.
Berry	Hoffman	Roehey
Bolton	Holfield	Roosevelt
Bray	Holt	Sadlak
Brooks, La.	Holtzman	Scott, Pa.
Buckley	Horan	Scrivner
Cannon	Jackson	Sheehan
Cederberg	Johnson	Sikes
Chiperfield	Kearney	Siler
Clevenger	Keogh	Simpson, Ill.
Coad	Kilburn	Smith, Calif.
Coffin	Kirwan	Smith, Kans.
Cole	Kluczynski	Taylor
Coudert	Krueger	Teague, Calif.
Cunningham, Iowa	Landrum	Teague, Tex.
Dellay	Lanham	Thompson, N. J.
Dempsey	LeCompte	Thompson, Tex.
Denton	Lesinski	Udall
Dies	Lipscomb	Vanik
Diggs	Loser	Vinson
Dorn, N. Y.	McConnell	Vursell
Doyle	McDonough	Walter
Fascell	Mack, Ill.	Wharton
Flood	Mailliard	Wier
Fogarty	Mason	Williams, N. Y.
Gavin	Miller, Calif.	Withrow
Gavin	Morgan	Young
George	Moss	Younger
	Nicholson	

So the conference report was agreed to.
The Clerk announced the following pairs:

Mr. Walter with Mr. Taylor.
Mr. Keogh with Mr. Hiestand.
Mr. Anfuso with Mr. Dellay.
Mr. Roosevelt with Mr. Dorn of New York.
Mr. Miller of California with Mr. Gavin.
Mr. Moss with Mr. George.

Mr. O'Neill with Mr. Alger.
Mr. Young with Mr. Allen of California.
Mr. Dempsey with Mr. Beamer.
Mr. Hays of Ohio with Mr. Kearney.
Mr. Powell with Mr. Mason.
Mr. Preston with Mr. Mailiard.
Mr. Vinson with Mr. McDonough.
Mr. Pilcher with Mr. LeCompte.
Mr. Lanham with Mr. Bray.
Mr. Fogarty with Mrs. Bolton.
Mr. Gordon with Mr. Cederberg.
Mr. Fascell with Mr. Bentley.
Mr. Flood with Mr. Kilburn.
Mr. Doyle with Mr. Krueger.
Mr. Dies with Mr. Vursell.
Mr. Coad with Mr. Younger.
Mr. Coffin with Mr. Siler.
Mr. Kirwan with Mr. Sheehan.
Mr. Kluczynski with Mr. Riehlman.
Mr. Sikes with Mrs. Harden.
Mr. Holtzman with Mr. Hillings.
Mr. Barrett with Mr. Hoffman.
Mr. Brooks of Louisiana with Mr. Sadlak.
Mr. Buckley with Mr. Scrivner.
Mr. Rains with Mr. Jackson.
Mr. Udall with Mr. Horan.
Mr. Vanik with Mr. Scott of Pennsylvania.
Mr. Rivers with Mr. Couder.
Mr. Griffiths with Mr. Clevenger.
Mr. Green of Oregon with Mr. Harvey.
Mr. Holifield with Mr. Chiperfield.
Mr. Bailey with Mr. Cunningham of Iowa.
Mr. Barden with Mr. Gwinn.
Mr. Anderson of Montana with Mr. Lipscomb.
Mr. Johnson with Mr. Norblad.
Mr. Lesinski with Mr. Osmers.
Mr. Loser with Mr. Reece of Tennessee.
Mr. Mack of Illinois with Mr. Bennett of Michigan.
Mr. Morgan with Mr. Smith of California.
Mr. Diggs with Mr. Simpson of Illinois.
Mr. Wier with Mr. Teague of California.
Mr. Thompson of New Jersey with Mr. Robison of Kentucky.
Mr. Thompson of Texas with Mr. Withrow.
Mr. Teague of Texas with Mr. Cole.
Mr. Cannon with Mr. Pillion.

The result of the vote was announced as above recorded.

A motion to reconsider was laid on the table.

GENERAL LEAVE TO EXTEND REMARKS

Mr. CELLER. Mr. Speaker, I ask unanimous consent that all Members be permitted to extend their remarks on the conference report just agreed to and include extraneous matter.

The SPEAKER. Is there objection to the request of the gentleman from New York?

There was no objection.

CORRECTION OF ROLLCALL

Mr. LONG. Mr. Speaker, I ask unanimous consent to correct rollcall No. 219, which was just called. There was so much confusion in the Chamber that my response was not heard. I was sitting here and answered to my name, and I voted "aye."

The SPEAKER. Without objection, it is so ordered.

There was no objection.

MUTUAL SECURITY APPROPRIATION BILL, 1958

Mr. PASSMAN. Mr. Speaker, I call up the conference report on the bill (H. R. 9302) making appropriations for mutual

security for the fiscal year ending June 30, 1958, and for other purposes, and ask unanimous consent that the statement of the managers on the part of the House be read in lieu of the report.

The Clerk read the title of the bill.

The SPEAKER. Is there objection to the request of the gentleman from Louisiana?

There was no objection.

The Clerk read the statement.

(For conference report and statements, see proceedings of the House of August 28, 1957.)

(Mr. PASSMAN asked and was given permission to revise and extend his remarks.)

Mr. PASSMAN. Mr. Speaker, I yield myself such time as I may require.

Mr. Speaker, the statements I shall make this morning will have no bearing on the action on the bill before us, but the information might make it less difficult for the membership to more clearly understand the mutual-security bill next year. I trust the membership will not take offense at this statement, but in reality this is a combination bill you are considering this morning—it is the mutual security-civil rights appropriation bill for fiscal year 1958. A great many of you know exactly what I am implying. There is nothing I can do about this, however, so I will rest my case in that respect with this reference to a regrettable situation.

Mr. Speaker, we are all anxious to go home. One of the saddest things for me about adjournment of the House is the parting with members of the Subcommittee on Appropriations which handles this bill. I have never worked with a more loyal, distinguished, and understanding group of men in my life and, of course, that observation applies to the Members on either side of the aisle. We tried to do the very best job possible, and the few times that we disagreed, we did so without being disagreeable. It may not be in order here, Mr. Speaker, but at this point I am going to pay my respects to the very able clerk who helped to handle this bill. I doubt if there is any man in Washington who understands the mutual-security appropriation bills, past, and present, better than the gentleman who is assigned to this committee, Mr. Jay Howe. I am most grateful to him for the help he gave to the committee in trying to arrive at a determination of what the figures actually represent.

I should like to direct to the attention of the committee the fact that even before we have adopted the final conference report on the mutual-security appropriation bill for fiscal year 1958, officials in the administration are already in disagreement as to what the bill should provide next year. I refer to a newspaper report of this morning, stating:

DISPUTE SEEN OVER FUTURE FOREIGN AID

A dispute is reported developing within the Eisenhower administration over the size of next year's foreign-aid program.

The Director of the Budget has indicated that there should be a ceiling next year of \$3½ billion. I would say that the Director of the Bureau of the Budget

is going to be in the administration's guardhouse if he insists on maintaining his point. I know how far they will go to have their way on this bill, whether or not the justifications warrant such a request.

For the benefit of the record on this bill, which is now before you, there was a blind authorization request of \$4,400,-000,000 at the beginning of the year. This subcommittee brought witnesses down prior to the time that we received a budget request. They were somewhat belligerent, but we wanted to know something about how they arrived at the figure of \$4,400,000,000, a figure which they finally admitted—almost in these words—they had obtained out of the air. Now, however, to abbreviate that matter, the bill that you will pass on today is approximately \$1 billion below the original authorization.

Mr. LONG. Mr. Speaker, will the gentleman yield?

Mr. PASSMAN. I yield.

Mr. LONG. Mr. Speaker, I am unalterably opposed to foreign aid and have been throughout my entire tenure in the Congress. I am unalterably opposed to giving money to Tito who, in my humble opinion, is one of the greatest enemies of democracy this world has even known. This atheistic, hypocritical man in some manner has pulled the wool over the eyes of our people and confused them to the point where we are willing to send our taxpayers' hard-earned dollars to him in order, if he so wishes, to join the Russians in a war against the United States and utilize the very money and material to murder our American boys. To me this parallels our action prior to World War II when we sent millions of tons of scrap iron to Japan, only to have it fired back at us at Pearl Harbor.

I am unalterably opposed to the continuation of the program which gives millions of dollars to Communists and enemies of America when right here under the Capitol dome in Washington, D. C., it has been clearly established by one of the investigating committees that there are 50,000 underfed, undernourished, and poorly housed children in our own capital. We find ourselves in the closing days of the Congress voting a giveaway program for almost \$3½ billion, which is a quarter of a billion dollars higher than the figure originally passed by the House. In my honest judgment, we certainly would have been better off to use this quarter of a billion dollars which was raised above the original House figure in strengthening our defense program. We are placed in a very ridiculous position in that our defense appropriation was reduced by over \$2 billion which has forced the curtailment of the guided-missile program. Several plants have been forced to either close down entirely or to substantially reduce their personnel. For example, the North American Aviation Company of Los Angeles laid off 8,000 employees, due to this defense appropriation cut. It certainly does not help matters for Russia to announce her success in the testing of a 5,000-mile guided missile and over the period of the last 6 months the success of other tests with

guided missiles of a 5,000- and 6,000-mile range.

Not only have the tests proven successful in Russia, but in addition there is the announcement that these missiles are being produced on a mass scale. Here in America, we have not had a test of guided missiles of over 1,500 miles range. To illustrate the slowness of the guided-missile program, only a few days ago, there was an announcement of a test on a guided missile of 1,500 miles range called Jupiter. We were testing 1,500-mile guided missiles 2 years ago and have not yet gone into mass production of this comparatively short-range missile known as the Jupiter.

While it may be true that we had no knowledge prior to the recent test in Russia of the 5,000-mile long-range guided missiles, which knowledge reached us after the defense appropriations were passed, we now find ourselves in the ridiculous position of having cut the defense measure to the bone and seriously curtailed our guided-missile program while at the same time we are increasing the foreign-aid giveaway program to our doubtful friends from \$3,-200,000,000 to \$3,450,000,000.

In my opinion our taxpaying citizens would certainly appreciate our actions more if this Congress had taken \$2 billion of this foreign-aid money and applied it on our guided-missile program to keep this vital phase of our defense on an up-to-date and effective basis. This would still leave the foreign-aid giveaway program \$1,450,000,000, which I feel is exactly that sum too much. The democratic free world would be in a far better position if we would proceed sensibly in protecting ourselves from our common enemy—the Russians.

We have been living in a dream world by hanging on the concept that living here in America is in the superlative. Most of us have been under false impression that our guided-missile program is far advanced of Russia and now comes the rude awakening and we find ourselves not on an equal basis with Russia, but rather lagging far behind in this highly important phase of defense.

Since Russia has developed the 5,000-mile-long-range missile and established its effectiveness by tests, and at the same time, we have reduced our defense program by \$2 billion, it appears to me that it is a question of our being dollarwise and defense foolish.

In my judgment, President Eisenhower and his advisers have fallen far short in their obligation to protect the interest of our American people in our guided-missile interests. I pray to God that with this recent announcement of Russia's success in the guided-missile field, we will go ahead with our defense program in an effective and efficient manner regardless of cost and development of the all important guided-missile program to a point second to none. If it takes supplemental appropriations, then I say let us appropriate the money because we cannot afford to fall behind on our defense. Next year, let us use a little more commonsense, even if we offend lobbies and cut the foreign aid program to the bone, which is exactly

what should be done. We have gone far beyond the call of duty and beyond even the remotest obligation in placing these foreign recipient nations on their feet and it is high time to act with sound judgment and take care of our own defense rather than to continue pouring the taxpayers' hard-earned dollars down the drain.

(Mr. LONG asked and was given permission to revise and extend his remarks.)

Mr. PASSMAN. May I conclude my statement, and then I shall be pleased to yield.

First, there is an authorization request, which may actually be any figure. Later, after the bill comes down, there is an authorization bill, and then the figure becomes a budget estimate. Subsequent to that the appropriation bill is handled, and we reduce the amount of the authorization bill. Then we receive the revised budget estimate. Next the authorizing bill goes to the Senate and certain adjustments are made before it comes back to the House with a different figure. The same procedure occurs with the appropriation bill. So the situation is really confusing, even to a certified public accountant or mathematician.

I hope you will listen to these figures which I am about to present and will keep the record on your desk so that, when we handle the bill next year, there will be no misunderstanding about the committee having some knowledge of the requirements.

The President's authorization request was for \$4.4 billion. The bill before you calls for approximately \$3.4 billion, which is \$1 billion below the amount the President said would be required for the program of foreign aid.

In the program that you now have for mutual security, beginning with fiscal 1958, \$5,602,000,000 is provided in the military phase of the bill. There is a total of \$3,361,760,000 in other programs, making an overall aggregate of \$8,963,-760,000, or, in round figures, \$9 billion available for expenditure in the mutual security program for fiscal 1958. This sum does not include funds under Public Law 480 or any other laws whereby there are foreign-aid programs.

In fiscal year 1956, the first year in which it was my privilege to handle this bill, we reduced the appropriation below the budget by \$584,666,750.

In fiscal 1957, my second year as chairman of the subcommittee handling the bill, we reduced the appropriation below the budget estimate by \$1,004,-505,000.

Now, this third year, we have reduced the appropriation bill below the budget estimate by \$565,650,000.

During the 3 years it has been my privilege to serve as chairman of the subcommittee, we have reduced the money by an aggregate of \$2,214,821,750 below the budget estimates.

After the House worked on this bill, it went to the other side, where a lot of money was added. In several instances we were asked to yield from our stand as a gesture to the prestige of the other body. It is just that simple. In fiscal

1956 we reduced the amount of money put in by the other body by \$523,866,750. In fiscal 1957 we reduced the money put in by the other body by \$344,350,000. This year we reduced the amount of money put in by the other body by \$256,-900,000, or a total reduction in conference below what the other body put in of \$1,125,116,750 for the 3 years.

This committee is either right or wrong. The fact as to which will be established after the administration works on this year's appropriation for the first 6 months of fiscal 1958.

I am on record, and I have no intention whatsoever of retracting or failing to go through with my commitments, that if there are not unobligated funds from this bill at the time when they request the appropriation for next year, then I am going to submit my resignation as a member of this particular subcommittee to the distinguished gentleman from Missouri [Mr. CANNON].

Claims to the contrary notwithstanding, there is money in this bill which will not be needed, and it should not be included. But, what are you going to do when the leadership in the other body is stacked so solidly against you? You are either going to recede on certain items or you are not going to have a conference report.

Mr. Speaker, I hope that I have not offended any of my friends on the Appropriations Committee, whether it be this subcommittee or the full committee; and this hope applies likewise with reference to the Members of the House. I try to know something about this bill, and I think that the past record is evi-

dence enough to convince all of you that we have not damaged the foreign-aid program by any of the appropriations reductions.

Those of you who are going home and expect to spend restless nights concerned about the amount of money we have taken out of this program, let me suggest that you not buy any tranquilizer pills, but that you go home, go to bed, and get some rest. There is ample money in this bill to carry out the President's program, whether he knows it or not.

Mr. WILLIAMS of Mississippi. Mr. Speaker, will the gentleman yield?

Mr. PASSMAN. I yield to the gentleman from Mississippi.

Mr. WILLIAMS of Mississippi. I want to take this opportunity to congratulate the distinguished gentleman from Louisiana and the members of his subcommittee for the work he has done in holding down this international giveaway program. I am so thoroughly convinced that the action the gentleman and his committee had taken was the right one that I had prepared and was ready to offer today a motion to recommit this bill to conference with instructions to continue opposition to the Senate amendments. As the gentleman knows, of course, my move apparently was anticipated and the Senate kept the bill, and a motion to recommit is not now in order.

The gentleman made a remarkable introductory statement in his address, that this bill should be referred to as the civil-rights mutual-aid bill.

Mr. PASSMAN. I meant it to be both facetious and thought provoking.

Mr. WILLIAMS of Mississippi. I think perhaps it goes a little deeper than that. I have heard rumors, and certainly the facts would tend to bear this out, the developments of recent days, that the fate of this legislation was tied directly at the fate of the civil-rights bill; that the trade was made by which one Republican Member joined with the Democratic Members in petitioning for a meeting of the Rules Committee which could not otherwise have been had. Will the gentleman elaborate by telling us what he knows about that?

Mr. PASSMAN. I would not say that the gentleman is entirely mistaken. I think, however, the question can be better answered if the distinguished gentleman from Mississippi would consult the Washington newspapers beginning with a date right after the House passed the appropriation bill and continuing up to the time the Senate passed the bill. I think if he does this that the gentleman's questions will be answered.

I thank the gentleman from Mississippi. I now yield to the gentleman from Iowa [Mr. GROSS].

Mr. GROSS. This conference report does provide almost a quarter of a million dollars increase over the bill as it was approved by a tremendous majority in this House. Is not that true?

Mr. PASSMAN. May I answer the gentleman this way: That about 2 weeks ago the House and the other body passed authorizing legislation. The bill under consideration here is \$565,650,000 below the amount the Congress authorized.

I present here for the RECORD a tabulation which outlines the program in detail:

Mutual security program, fiscal year 1958

[In thousands]

	Appropriation, 1957	1958 authorization				1958 appropriation				Final appropriation compared with—			
		Request	Senate	House	Conference	Estimate	Houso	Senate	Conference	1957 appropriation	1958 estimate	House	Senate
MUTUAL DEFENSE ASSISTANCE													
Military assistance:													
Appropriation	\$2,017,500	\$1,900,000	\$1,800,000	\$1,500,000	\$1,600,000	\$1,600,000	\$1,250,000	\$1,475,000	\$1,340,000	-\$677,500	-\$260,000	+\$90,000	-\$135,000
Unobligated and unreserved balance	195,500	(2)	(2)	(2)	(2)	538,800	538,800	538,800	538,800	+343,300	-----	-----	-----
Total, military assistance	2,213,000	1,900,000	1,800,000	1,500,000	1,600,000	2,138,800	1,788,800	2,013,800	1,878,800	-334,200	-260,000	+90,000	-135,000
Defense support:													
Appropriation	1,161,700	900,000	800,000	600,000	750,000	750,000	585,000	689,000	689,000	-472,700	-61,000	+104,000	-----
Unobligated balance	-----	-----	-----	-----	-----	-----	36,000	36,000	36,000	+36,000	+36,000	-----	-----
Total, defense support	1,161,700	900,000	800,000	600,000	750,000	750,000	621,000	725,000	725,000	-436,700	-25,000	+104,000	-----
Total, mutual defense assistance	3,374,700	2,800,000	2,600,000	2,100,000	2,350,000	2,888,800	2,409,800	2,738,800	2,603,000	-770,900	-285,000	+194,000	-135,000
ECONOMIC AND TECHNICAL COOPERATION													
Development assistance:													
Appropriation	250,000	(2)	(2)	(2)	(2)	52,000	52,000	52,000	52,000	-250,000	-----	-----	-----
Unobligated balance	-----	(2)	(2)	(2)	(2)	52,000	52,000	52,000	52,000	+52,000	-----	-----	-----
Total, development assistance	250,000	500,000	500,000	500,000	500,000	52,000	52,000	52,000	52,000	-198,000	-----	-----	-----
Development loan fund	500,000	500,000	500,000	500,000	500,000	300,000	400,000	300,000	300,000	+300,000	-200,000	-----	-100,000
Technical cooperation:													
General authorization:													
Appropriation	135,000	151,900	151,900	151,900	151,900	151,900	113,000	114,900	113,000	-22,000	-38,900	-----	-1,900
Unobligated balance	-----	-----	-----	-----	-----	-----	12,000	12,000	12,000	+12,000	+12,000	-----	-----
Total, general authorization	135,000	151,900	151,900	151,900	151,900	151,900	125,000	126,900	125,000	-10,000	-26,900	-----	-1,900
United Nations program	15,500	15,500	15,500	15,500	15,500	15,500	15,500	15,500	15,500	-----	-----	-----	-----

Footnotes at end of table.

Mutual security program, fiscal year 1958—Continued

[In thousands]

	Appropriation, 1957	1958 authorization				1958 appropriation			Final appropriation compared with—				
		Request	Senate	House	Conference	Estimate	House	Senate	Conference	1957 appropriation	1958 estimate	House	Senate
Technical cooperation—Con.													
Organization of American States	\$1,500	\$1,500	\$1,500	\$1,500	\$1,500	\$1,500	\$1,500	\$1,500	\$1,500				
Total, technical cooperation	152,000	168,900	168,900	168,900	168,900	168,900	142,000	143,900	142,000	-\$10,000	-\$26,900		-\$1,900
Total, economic and technical cooperation	402,000	668,900	668,900	668,900	668,900	720,900	494,000	595,900	494,000	+92,000	-226,900		-101,900
OTHER PROGRAMS													
Special assistance, general authorization		300,000	250,000	250,000	250,000	250,000	175,000	225,000	225,000	+225,000	-25,000	+\$50,000	
Special assistance, Latin America			25,000	25,000	25,000	25,000		20,000			-25,000		-20,000
Special Presidential fund	100,000										-100,000		
Joint control areas	12,200	11,500	11,500	11,500	11,500	11,500	11,500	11,500	11,500		-700		
Intergovernmental Committee for European Migration	12,500	(?)	(?)	(?)	(?)	12,500	12,500	12,500	12,500				
United Nations refugee fund	1,900	2,233	2,233	2,233	2,233	2,233	2,233	2,233	2,233		+333		
Escapee program	6,000	5,500	5,500	5,500	5,500	5,500	5,500	5,500	5,500		-500		
United Nations Relief and Works Agency: Unobligated balance	45,300	(2)	(2)	(2)	(2)	23,800	23,800	23,800	23,800		-21,500		
United Nations childrens' fund	10,000	11,000	11,000	11,000	11,000	11,000	11,000	11,000	11,000		+1,000		
North Atlantic Treaty Organization		(?)	(?)	(?)	(?)	2,700	1,500	1,500	1,500		+1,500		
Ocean freight	2,500	2,200	2,200	2,200	2,200	2,200	2,200	2,200	2,200		-300		
Control Act expenses	1,175	1,300	1,000	1,000	1,000	1,000	1,000	1,000	1,000		-175		
Administrative expenses: International Cooperation Administration	29,018	35,000	33,000	32,500	32,750	32,750	32,750	32,750	32,750		+3,732		
State Department	4,577	(?)	(?)	(?)	(?)	4,577	4,577	4,577	4,577				
Atoms for Peace:													
Appropriation	5,500	7,000	7,000	7,000	7,000	7,000				-5,500	-7,000		
Unobligated balance							4,450	4,450	4,450		+4,450		
Total, Atoms for Peace	5,500	7,000	7,000	7,000	7,000	7,000	4,450	4,450	4,450		-1,050		
Total, other programs	230,670	375,733	348,433	347,933	348,183	391,760	288,010	358,010	338,010		+107,340	-53,750	+50,000
Total, mutual security:													
Appropriation	3,766,570	3,844,633	3,617,333	3,116,833	3,367,083	3,386,860	2,524,760	3,025,660	2,768,760		-997,810	-618,100	+244,000
Unobligated balances	240,800	614,600	614,600	614,600	614,600	614,600	667,050	667,050	667,050		+426,250	+52,450	
Total	4,007,370	4,459,233	4,231,933	3,731,433	3,981,683	4,001,460	3,191,810	3,692,710	3,435,810		-571,560	-565,650	+244,000
Add continuing authorizations		19,777	19,777	19,777	19,777								-256,900
Comparable totals													

¹ Also authorized \$1,500,000,000 for fiscal year 1959.² Unobligated balances authorized to be continued available.³ Also authorized \$710,000,000 for fiscal year 1959.⁴ Also authorized additional \$750,000,000 borrowing authority for each of fiscal years 1959 and 1960.⁵ In addition, \$625,000,000 authorized in fiscal year 1959 on no-year basis.⁶ Authorized to remain available until expended.⁷ Continuing authorizations already in law; For ICEM and NATO, unlimited; for State Department administrative expenses, not to exceed \$7,000,000 per annum.

The bill before the House is \$366,900,-000 below what the other body appropriated; it is \$244 million above what the House passed a few days ago. So, in conference, we protected the prestige of the House by getting better than a 50-50 split.

Mr. GROSS. You protected it, but it cost \$244 million or almost a quarter of a billion dollars.

Mr. PASSMAN. At least we authorized that much more money than the House bill called for.

Mr. FORD. Mr. Speaker, will the gentleman yield?

Mr. PASSMAN. I yield to the gentleman from Michigan.

Mr. FORD. Is it not true that this figure is about \$400 million less than the original House version of the authorizing legislation?

Mr. PASSMAN. Well, I covered that in the beginning. For the 3 years it is over 2 billion dollars less than the original authorization requests. Of course, every year we reduce this substantially below what the authorizing legislation calls for. It is a billion less than the President requested at the beginning of

the year. The figure the gentleman mentioned with respect to being below the authorization request is correct.

Mr. FORD. It should be said also that it is \$561 million less than the final authorization bill and \$400 million less than the original House version of the authorizing legislation.

Mr. GARY. Mr. Speaker, will the gentleman yield?

Mr. PASSMAN. I yield to the gentleman from Virginia.

Mr. GARY. The fact is that the figure as presented to the House today is a billion and a half dollars less than the President suggested in his state of the Union message.

Mr. PASSMAN. That is correct. It keeps working down a half billion dollars at a time. If we were to stay in session until October, in all probability there would be another revised estimate.

Mr. HALEY. Mr. Speaker, will the gentleman yield?

Mr. PASSMAN. I yield to the gentleman from Florida.

Mr. HALEY. I want to say to the gentleman and to his committee that they have done a fine job in a very bad

situation. I just hope that the gentleman and the House will take into consideration in another year the proposition of bringing this bill before us, so that the House will have ample opportunity or time to work its will on a bill of this kind. I think it is a terrible situation where you bring a bill in during the closing moments of the session, when everybody is wanting to get home, carrying appropriations of this kind, where the House is practically forced to take this bill.

I am against the bill, I am against foreign aid or foreign giveaway, I have never voted for it and I do not intend to vote for this conference report.

Mr. PASSMAN. I thank the gentleman.

Mr. MAHON. Mr. Speaker, will the gentleman yield?

Mr. PASSMAN. I yield to the gentleman from Texas.

Mr. MAHON. I wish to join in commending the gentleman from Louisiana and the members of his subcommittee for the work that they have done this year on the foreign aid or mutual security bill. I voted against the authorizing

legislation when it was presented because I thought it was too high, not because I do not believe in some forms of foreign aid. Foreign aid properly administered has meant a great deal and will mean a great deal, but I feel that the program should be tapered off more decidedly.

As I read the figures, when we have approved this bill, the total reduction in the President's appropriation budget by the Congress for this year will have been \$5,048,000,000?

Mr. PASSMAN. That is my understanding. The gentleman is speaking of the overall reduction by the House of the President's budget. The amount we have reduced it exceeds \$5 billion, according to the information given to me.

Mr. MAHON. A Member said to me this morning "I have a lot of defense industry in my district and there are some cut-backs in defense work." He said, "I think I did the right thing when I voted to reduce the defense budget, following the leadership of the Appropriations Committee, but I want to be sure I was correct in that vote."

I think it might be well to point out that the Defense Department had last year available for expenditure a total in excess of 74 billion dollars. It spent \$38.4 billion. This year, the current year, the Department of Defense has available to it for expenditure \$70.8 billion.

It developed during the closing months of the last fiscal year that the Department of Defense which had predicted through a total expenditure last year of \$36 billion—was in error to the extent of in excess of \$2 billion. And in the closing months of the last fiscal year defense spending was at the rate of \$40 billion-plus. It is obvious that if this upward spiral of defense spending continued it would be necessary to raise the debt ceiling and make many other adjustments. So the Defense Department this year, while it has available to it a total of \$70 billion-plus, appropriated for this year and in previous years for expenditure, is not spending much of this money available to it by reason of the fiscal situation. The Defense Department this year could keep all the factories humming, all the men employed and all the men in the service and spend \$40 billion or \$43 billion this year. That much would be available for expenditure by reason of the action of the Congress this year and in previous years.

We have approved these programs. We have given them the money. But the Defense Department, for what it considers good reasons, as well as the administration, have said, "We do not want to spend this money which the Congress has given because we do not want to exceed the speed of spending as estimated by the Bureau of the Budget." There are two sides to that question.

So I should like to assure everyone that the Defense Department cutbacks have not been the result of actions of the Congress on the defense bill but have been the result of the action of the administration to keep defense spending at \$38 billion this fiscal year.

Mr. Speaker, I shall present in my extension of remarks a letter from the Comptroller of the Defense Department verifying the statement which I have made; and also in my extension of remarks in the Appendix of the RECORD I shall further pinpoint this problem which may be troubling some people by reason of headlines as to defense cutbacks.

I think we cannot consider defense as merely the Department of Defense appropriations. I think this bill, the mutual-security bill, has a relationship to it. I am voting for this bill. I know it is unpopular but I consider that at least certain parts of it are important elements in the defense picture. I would say that there is much room for improvement of the aid program. I am supporting the gentleman from Louisiana [Mr. PASSMAN] in voting for this bill and I thank him for yielding to me at this time.

Mr. GARY. Mr. Speaker, will the gentleman yield?

Mr. PASSMAN. I am very glad to yield to the distinguished gentleman from Virginia, who trained me; and if I have done a poor job, blame him.

Mr. GARY. Mr. Speaker, I would be delighted to share as trainer some of the credit which the gentleman from Louisiana deserves for his excellent handling of this bill but I fear the pupil has surpassed his instructor. Although there have been substantial cuts in this bill, I am convinced that the amounts in the original House bill were ample to sustain an adequate foreign-aid program for the next year. Therefore, as we lawyers would say, since that was an adequate amount a fortiori, the amount recommended today is more than adequate for the program.

I do not believe the program will suffer because of our cuts. I agree with the gentleman that they will probably come back next year with an unobligated balance, as they did this year. But this is the best the House conferees could do, and I hope it will be the pleasure of the House to accept this report. In my opinion, the time has come when we must begin to cut down on this foreign-aid spending and give some consideration to the high tax burden that our own people are paying in this country.

Mr. PASSMAN. Speaking of the latter amount, the amount the House allowed, the gentleman is referring to what I refer to as a combination bill, mutual security and civil rights.

Mr. SMITH of Wisconsin. Mr. Speaker, will the gentleman yield?

Mr. PASSMAN. I yield.

Mr. SMITH of Wisconsin. Will the chairman advise the House as to whether or not in his opinion the amount included in this bill now is sufficient to operate the program the coming year? I raise that question for the reason that the press this morning carries a report to the effect that it has been suggested in the other body that it may be necessary to return in January and ask for a supplemental appropriation for foreign aid. I should like to have that matter cleared up.

Mr. PASSMAN. I do not think there will be any special session and I do not think there will be any request for any supplemental appropriation in January. I am sure if the gentleman has observed all the loose talk in the newspapers about how many times we have ruined this program, he can discount that statement 100 percent.

Mr. SMITH of Wisconsin. The gentleman believes there is adequate money in the bill?

Mr. PASSMAN. I think there is more than adequate money, as I stated to the gentleman from Virginia and stated in my remarks earlier.

Mr. Speaker, the following are the figures for military assistance and mutual security:

Military assistance—Analysis as certified by the Department

Appropriations:	
1956 appropriation, new funds.....	\$1,022,200,000
1956 reappropriation.....	33,900,000
Total.....	1,056,100,000
1957 appropriation, new funds.....	2,017,500,000
1957 reappropriation.....	195,500,000
Total.....	2,213,000,000
1958 appropriation, new funds.....	1,340,000,000
1958 reappropriation.....	538,800,000
Total.....	1,878,800,000

Obligations:	
1956, total.....	848,920,000
1957, total.....	1,674,200,000
1958 (same as 1957 according to Brundage), total.....	1,674,200,000

Expenditures:	
1956, total.....	2,572,000,000
1957, total.....	2,319,000,000
1958 (estimated, see p 404, House hearings), total.....	2,200,000,000
Military only:	
Obligated and reserve carryover.....	3,723,200,000
1958 reappropriation.....	538,800,000
1958 new funds approved by House.....	1,340,000,000
Total.....	5,602,000,000

Total available for expenditure and obligation fiscal 1958:	
Total military.....	5,602,000,000
Total nonmilitary.....	3,361,760,000

Grand total available for expenditure and obligation.....	8,963,760,000
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Mutual security appropriation bill

Fiscal year 1956:	
Budget estimates.....	\$3,350,541,750
House bill.....	2,701,275,000
Senate bill.....	3,289,741,750
Conference.....	2,765,875,000
Below budget estimate.....	-584,666,750
Above House.....	64,600,000
Below Senate.....	-523,866,750

Fiscal year 1957:	
Budget estimates.....	5,071,875,000
House bill.....	3,665,920,000
Senate bill.....	4,351,720,000
Conference.....	4,007,370,000
Below budget estimate.....	-1,064,505,000
Above House.....	341,450,000
Below Senate.....	-344,350,000

Fiscal year 1958:	
Budget estimates.....	4,001,460,000
House bill.....	3,191,810,000
Senate bill.....	3,692,710,000
Conference.....	3,435,810,000
Below budget estimate.....	-565,650,000
Above House.....	244,000,000
Below Senate.....	-256,900,000

Mutual security—3-year record

Appropriation below budget estimate:	
Fiscal 1956.....	\$584,666,750
Fiscal 1957.....	1,064,505,000
Fiscal 1958.....	565,650,000

Total.....	2,214,821,750
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Reduction in appropriations below Senate appropriations:	
Fiscal 1956.....	523,866,750
Fiscal 1957.....	344,350,000
Fiscal 1958.....	256,900,000

Total.....	1,125,116,750
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Mr. TABER. Mr. Speaker, will the gentleman yield?

Mr. PASSMAN. I yield whatever time he may require to the ranking minority member of the committee, the distinguished former chairman of the committee, the gentleman from New York [Mr. TABER].

Mr. TABER. Mr. Speaker, this bill comes here with no additions to the House figures with three exceptions: \$90 million on military assistance, \$50 million on special assistance, which is under the control of the President, and has pretty well been worked out, and an item of \$104 million for defense support.

The gentleman from Louisiana in his dealing with the Senate conferees, has demonstrated that he is a master horse trader. The House ought to be pretty well satisfied with this conference report. I do not want anybody to get the idea that the Congress has reduced the availability of funds by \$5 billion. As a matter of fact, there is deductible from that figure \$1,115,000,000 on account of the housing bill that was passed and that was brought in here by the Committee on Banking and Currency, \$105 million by the bill that was brought in here from the Committee on Interstate and Foreign Commerce to provide guaranteed loans to small airlines, and \$1.3 billion that was made up of the transfer of funds that had been placed in stock funds in the different military services. So that there is about \$2.5 billion that is really what the Congress did save. The appropriation bills show \$3.6 billion, but the other bills reduce the savings to about \$2.5 billion.

Mr. MAHON. Mr. Speaker, will the gentleman yield?

Mr. TABER. I yield.

Mr. MAHON. From the standpoint of the appropriation requests which were submitted, the statement has been made, and I believe it is correct, that the appropriations budget was cut in excess of \$5 billion.

Mr. TABER. That is correct except for the transfer of funds item which runs about \$1,300,000,000. But the \$1,300,000,000 cuts it down to about \$3,800,000,000 and the other \$1,200,000,-000 cuts it down to \$2,500,000,000.

Mr. MAHON. I do not know how much has been transferred in connec-

tion with all appropriation bills approved by this Congress. However, I do know that transfers in connection with the defense bill only amounted to \$590 million. Is it not true that the funds through transfers from prior years' appropriations cut down the overall of availability to the Government for expenditure during the fiscal year, and is it not true that in the housing bill, which was not an appropriation request before the Committee on Appropriations, these funds are not in the same category as appropriations and generally the funds authorized will not be spent in total. And is it not true that we cut the budget far in excess of \$5 billion because we are not including in that figure the nearly \$1 billion reduction in the foreign-aid request from the original estimate which was in the January budget, and we are not including in that the \$450 million in funds for the school-construction bill which we defeated, but for which funds were in the January budget. These funds were submitted in the January budget but never came to the Appropriations Committee because the authorizations were reduced or defeated. So it is definitely true that the overall budget was cut far in excess of \$5 billion.

Mr. TABER. I doubt it. I do not think it is possible.

Mr. Speaker, I am submitting herewith tables showing the estimates considered by the House for appropriations and the laws which were eventually adopted, and indicating whether or not the appropriations in each case were increased or decreased, and to what extent.

The figures submitted show a reduction of \$5,048,378,979 in appropriations and taking nothing but that into consideration. The total appropriations are \$59,589,731,631, but in considering that we have failed to show that \$7.5 billion of permanent and annual appropriations will raise the total of the availability of funds to the Government to \$67,089,731,631, for which the Appropriations Committee has been responsible.

Items exceeding budget estimates in the housing bill are the appropriations made by the Banking and Currency Committee which ran to \$1,990,000,000, as against the budget estimate of \$875 million, an increase of \$1,115,000,000.

Also there was added by the Congress without any budget estimate \$105 million by the bill to provide for guaranteed loans to small airlines, so that the total availability created by Congress is \$61,684,731,631.

Compared with the \$65,513,110,618, this is a decrease below the budget estimates of \$3,828,378,979, a total for which the Congress can claim credit in reductions.

A part of the \$2.3 billion which was set up as a saving on the military appropriations, or \$1.3 billion, was the result of transfer of funds which were already in the hands of the armed services, and is an item which will not be effective at all in saving money, but it will reduce the unexpended balances.

If you subtract the \$1.3 billion from the \$3,828,378,979, you get a net saving of about \$2,528,378,979 so that the approximately \$2.5 billion item is all that the Congress itself can say it reduced the executive demands.

To the total availability of \$61,684,731,631 we must add the \$7.5 billion of permanent appropriations, making a total availability of \$69,184,731,631.

The cut of \$2,528,378,979 in appropriations will not be entirely reflected in the spending in the fiscal year 1958, but I would say that at least \$1.2 billion would be about the decrease in spending.

Perhaps the most significant feature of the congressional action is that it will reduce to a certain extent the unobligated and unexpended balances carried forward by the different agencies of the Government, and the cuts should be reflected probably more in the fiscal year 1959 spending than in the 1958 spending.

There was a difference of approximately \$3 billion resulting from items not yet submitted to the Congress by the President, and this probably was due somewhat to the failure of legislation to be adopted and somewhat to the fact that the economy wave brought about the reduction of some of the items.

I can only say that I believe it is absolutely necessary that we keep the appropriations down next year so that we will be able to enforce more savings in the spending.

The following table shows the progress of the various bills by item:

Comparison of estimates and appropriations, 85th Cong., 1st sess.

[Fiscal year 1958]

Department or establishment	Estimates considered by House	Public law	Increase (+) or decrease (-), appropriation compared with House estimate	Department or establishment	Estimates considered by House	Public law	Increase (+) or decrease (-), appropriation compared with House estimate
Department of Agriculture and Farm Credit Administration-----	\$3,965,446,617	\$3,666,543,757	-\$298,902,860	Dept. of Defense, Con.			
Department of Commerce and related agencies:				Department of the Navy-----	\$10,487,000,000	\$9,866,355,000	-\$620,645,000
Department of Commerce-----	803,790,000	536,607,225	-267,182,775	Department of the Air Force-----	16,471,000,000	15,930,220,000	-540,780,000
Panama Canal-----	17,648,000	16,765,600	-882,400	Total-----	36,128,000,000	33,759,850,000	-2,368,150,000
Independent agencies-----	50,075,000	44,417,400	-5,657,600	District of Columbia-----	(207,249,900)	(195,676,480)	(-13,828,320)
Total-----	871,513,000	597,790,225	-273,722,775	Federal payment-----	25,504,450	22,504,450	-3,000,000
Department of Defense:				General Government matters-----	20,921,870	16,010,370	-4,911,500
Office of Secretary of Defense-----	17,175,000	16,350,000	-825,000	Independent offices-----	5,923,195,000	5,373,877,800	-549,317,200
Interservice activities-----	687,825,000	682,375,000	-5,450,000	Department of the Interior and related agencies:			
Department of the Army-----	8,465,000,000	7,264,550,000	-1,200,450,000	Department of the Interior-----	373,460,000	326,015,900	-47,444,100
Footnotes at end of table.				Forest Service-----	126,186,000	119,216,000	-6,970,000

Comparison of estimates and appropriations, 85th Cong., 1st sess.—Continued

[Fiscal year 1958]

Department or establishment	Estimates considered by House	Publle law	Increase (+) or decrease (-), appropriation compared with House estimate	Department or establishment	Estimates considered by House	Publle law	Increase (+) or decrease (-), appropriation compared with House estimate
Dept. of Interior, etc.—Con. Related agencies	\$15,543,700	\$10,957,700	-\$4,586,000	Departments of State and Justice, the Judiciary, and related agencies:			
Total	515,189,700	456,189,600	-59,000,100	Department of State	\$227,714,552	\$189,024,243	-\$38,690,309
Departments of Labor, and Health, Education, and Welfare: Department of Labor	384,678,000	353,817,600	-30,860,400	Department of Justice	234,655,000	226,705,000	-7,875,000
Department of Health, Education, and Welfare	2,582,114,581	2,503,130,381	-78,984,200	The Judiciary	40,780,250	38,562,050	-2,293,200
Related agencies	14,485,000	14,234,800	-250,200	United States Information Agency	144,000,000	96,200,000	-47,800,000
Total	2,981,277,581	2,871,182,781	-110,094,800	Funds appropriated to the President	18,500,000	12,400,000	-6,100,000
Legislative branch	80,678,628	104,844,600	1 -3,426,783	Total	665,649,802	562,891,293	-102,758,509
Public works: Department of the Interior: Power Administrations	38,236,000	35,087,000	-3,149,000	Treasury-Post Office: Treasury Department	713,831,000	691,467,000	-22,364,000
Bureau of Reclamation	199,312,000	179,974,223	-19,337,777	Post Office Department	3,250,000,000	3,192,000,000	-58,000,000
Civil functions, Army	638,905,000	643,033,100	+4,128,100	Tax Court of the United States	1,460,000		
Total	876,453,000	858,094,323	-18,358,677	Total	3,965,291,000	3,884,927,000	-80,364,000
				Atomic Energy	2,491,625,000	2,323,632,500	-167,992,500
				The Supplemental	2 1,973,767,827	1,734,011,947	-239,755,880
				Mutual Security	3,386,860,000	2,768,760,000	-618,100,000
				Supplemental, Post Office	149,500,000	133,000,000	-16,500,000
				Cumulative totals	63,907,854,615	59,134,110,706	-4,914,355,584
				Supplemental and deficiency	589,644,320	455,620,925	-134,023,395
				Total	64,494,927,778	59,589,731,631	-5,048,378,979

¹ With Senate estimate added in, total estimate considered was \$108,271,443; became law as listed above, with decrease as listed above.² Final estimate as considered by Senate.

(Mr. TABER asked and was given permission to revise and extend his remarks and include a table prepared by him in connection with appropriations.)

Mr. PASSMAN. Mr. Speaker, I yield such time as he may require to the gentleman from Massachusetts [Mr. WIGGLESWORTH].

Mr. WIGGLESWORTH. Mr. Speaker, I simply want to state that as far as I am personally concerned, I am supporting this report not because I believe it will be adequate, but because it is the best obtainable settlement from every standpoint under existing circumstances.

As has been pointed out, the original request by the President in terms of new money was for \$4,400 billion. Subsequently this was reduced to \$3,886 billion in the light of balances estimated to be unobligated at the close of the fiscal year.

Seventy-five percent of the total request was for the purpose of national defense—for military aid to enable our allies to play their part in our defense and the defense of the free world.

The conference report recommends an appropriation of \$2,768 billion plus unobligated balances, or \$1 billion less than the revised request of the President.

The request for military assistance for NATO and other allies is reduced from \$1,900 billion to \$1,340 billion, a reduction of \$560 million.

The request for defense support, primarily to enable Turkey, Pakistan, Vietnam, Taiwan, and Korea to maintain existing forces, is reduced from \$900 million to \$689 million, a reduction of \$211 million.

In other words, the total for national defense purposes is reduced by \$771 million.

The Congress this year in the name of economy has slashed the request for our own military forces by \$2,400 billion on paper, or about \$1 billion in terms of real cuts. It is now proposed to slash the requests of our allies' military forces by \$771 million.

This means a total reduction in the two bills in the field of national defense of about \$1,700 million, with a corresponding reduction in military power.

The reductions have been effected in spite of the opposition of the President of the United States with his vast and successful military experience; they have been effected in spite of the opposition of Admiral Radford, who has just retired as an outstanding Chief of the Joint Chiefs of Staff; they have been effected despite the opposition of the Secretary of State.

In my opinion, Mr. Chairman, we are taking a risk which is unwarranted at this time.

I hope I am wrong.

Under present world conditions, particularly those in the Near East, I do not care to share in the responsibility for such drastic cuts.

Should trouble come tomorrow, next week, or in the months ahead as the result of the action taken, the record will of course show where the responsibility lies.

I have always stood for economy, but I am not for economy at the expense of national defense, and I am not for economy which, in my opinion, plays directly into the hands of the Kremlin.

A powerful America with powerful allies has compelled the Kremlin, for the time being, at least, to abandon its policy of military aggression.

A powerful America with powerful allies is vital to us all in terms of national defense and world peace.

(Mr. WIGGLESWORTH asked and was given permission to revise and extend his remarks.)

Mr. PASSMAN. Mr. Speaker, I yield one-third of a minute to the gentleman from Michigan [Mr. FORD].

Mr. FORD. Mr. Speaker, as a member of the conference committee on the mutual security appropriation bill for fiscal year 1958 I wish to point out that this compromise is the very best, from the point of view of the President's program, that could be achieved under the circumstances. Personally I favored increased amounts in two categories. First, there should have been a greater total for military assistance. I would have supported the Senate figure of \$1,475,000,000 which is still considerably less than what the President requested for our national security. Second, there should have been an increase in the funds for the development loan fund. I sincerely hope the \$300 million will be adequate to initiate the program but if not the administration should not hesitate to request a supplemental in the second session of this Congress.

In closing I trust the ICA officials will make maximum effective use of the funds available. If this is done I feel confident the Congress will be more sympathetic to the program in the future and in addition more results will be achieved with less dollars.

Mr. PASSMAN. Mr. Speaker, I yield one-third of a minute to the gentleman from Iowa [Mr. GROSS].

Mr. GROSS. Mr. Speaker, with a quarter of a billion dollars added to this bill, it seems to me that the breakfast at the White House on Monday morning between the President and one of the most publicized Democrats in the country was a very expensive breakfast for the taxpayers of this country.

Mr. PASSMAN. The gentleman is correct.

Mr. Speaker, I yield one-third minute to the gentleman from Georgia [Mr. FLYNT].

Mr. FLYNT. Mr. Speaker, I wish to congratulate the gentleman from Louisiana on his fine handling of this bill. He was successful in reducing it when it was first before this body by \$862 million from the amount requested by the President. The gentleman from Louisiana successfully resisted many efforts to restore that cut to approximately the figure requested by the President.

The present conference report figure, while it unfortunately is \$244 million more than the amount originally passed by the House, is nevertheless \$257 million less than the amount by which the other body passed this same bill.

I wish that this House had the opportunity to vote on a motion to recommit this bill to the conference committee because I am confident that an overwhelming number of the House of Representatives would vote to sustain the original position and the original figure by which the House of Representatives passed this bill. I wish it were possible for the House to have another rollcall vote on either a motion to recommit or any other motion which would have the effect of restoring the House figure which is \$244 million less than the conference report and \$501 million less than the figure passed by the other body and recommended and approved by the other body.

On the adoption of this conference report the gentleman from Georgia proposes to vote "no," and shall so vote.

Mr. GROSS. Mr. Speaker, before us in this foreign handout bill we have indisputable proof that the breakfast at the White House last Monday morning, apparently enjoyed by the President and one of the country's most publicized Democrats, will be a costly one for the taxpayers of this Nation.

Apparently that breakfast is going to play a major part in a further raid upon the taxpayers of somewhere in the neighborhood of a quarter of a billion dollars. If I understand the situation correctly, that is approximately the increase insisted upon and obtained by the free spenders in the other body over the figure voted by the House only 2 weeks ago.

And remember that it was only 2 weeks ago that members of the Appropriations Committee stated on the floor of the House, and their statements were never successfully challenged, that there is already enough money in the foreign aid pipeline to carry the program at the present rate of spending until at least January 1959.

Where is it proposed to obtain the additional \$3 billion that is here scheduled to be shoveled out to an assortment of foreigners, many of whom are skilled in the art of glorified blackmail?

It is almost impossible for me to believe that the Democrat leadership will support legislation to spend more billions on foreigners, then adjourn Congress and get out of town, leaving American postal workers hanging on the limb of a promised veto of their pay increase.

I wonder if the President and his Democrat breakfast guest of last Monday, when they agreed that \$600 million should be added to this bill for the foreigners, discussed the possibility of a special session of Congress this fall to raise the Federal debt ceiling above the present \$275 billion? Or did the President and his distinguished guest perhaps agree that a substantial part of the increased foreign aid spending could be obtained from repeal of the 27½ percent depletion allowance for the oil barons of this country?

I say to you that if the Federal debt limit must be raised let it be for the purpose of maintaining our own internal economy and welfare. Much too long have the citizens of this Republic carried the burdens of foreign governments and peoples—most of whom are unwilling to assume their responsibilities.

This conference report ought to be rejected; the House ought to stand firm on its previous position, and the tax revenues of this country used in behalf of Americans.

Mr. BYRD. Mr. Speaker, the people of America feel, as I do, that a certain amount of foreign aid is justified. They do not feel that all foreign aid should be terminated at this time, but they are of the opinion that there should be a tapering off. There are certain countries which will stand with us when the chips are down. These are Turkey, Pakistan, Iran, Iraq, Thailand, Formosa, Korea, Israel, Greece, Lebanon, and a few others. I believe that we should continue to give some aid to countries that can be depended upon to stand firm against the Communists. I do not believe, however, that we should continue to have aid programs in approximately 60 countries of the world, and I think that there is no better time than the present to begin cutting the cloth to fit the pattern. The House passed an appropriation bill for foreign aid a few days ago amounting to about \$2.5 billion. This was ample, and considering the billions that are in the pipeline, I think that we could very well keep the programs going without appropriating any money this year, but certainly \$2.5 billion is enough. Consequently, I am opposed to yielding an additional \$244 million as agreed upon in conference.

The summer has already been ruined and we may as well ruin the autumn, so I urge this House to vote down the previous question and insist upon the figure contained in the bill passed by the House recently.

The American people are getting tired of handing out moneys needlessly, and in some cases foolishly, as when we contribute to the economies of countries like India and Yugoslavia, countries which will either be neutral or opposed to us if we should have to go to war with the Soviets or the Red Chinese.

Mr. Speaker, the House of Representatives is closer to the people than the Senate by virtue of its members being elected every 2 years. It, therefore, more accurately reflects the changes of popular opinion and judgment than does

the membership in the Senate. The House is more representative of the people than is the Senate, because the House representation is based upon population rather than upon State equality. The House remains more truly the people's branch of the Government. The House should assert itself in competition with the Senate when questions of revenue and appropriations are in dispute, and the House should insist that it be given a greater voice in foreign affairs. Now is the time for the House to insist upon a more reasonable and rational appropriation for foreign aid. With billions of dollars in the pipeline, with inflation in an upward spiral, with the American people groaning under the burden of taxes, I urge the House to reject this report and insist upon a figure more consistent with its earlier position.

Mr. JUDD. Mr. Speaker, during this debate several Members have emphasized with satisfaction how much has been cut from the President's request for funds for mutual security. I want to speak for the many Members who believe these reductions are too deep and we want to register our dissatisfaction. I only hope that they will not prove to have been exceedingly costly, instead of an economy.

All during these months of discussion, I have remembered a day, Thursday, August 18, 1949, when a bipartisan amendment was proposed jointly by the then Congressman from Connecticut, Hon. John Lodge, and our esteemed colleague, Hon. FRANCIS E. WALTER, of Pennsylvania, to provide authority and funds to give military aid to those resisting Communist aggression in China and in areas around China. The Communists were gaining in China, but there still was a chance their complete victory could be prevented—or at least their advance into surrounding areas.

During the debate, I said:

We are not trying in this bill to throw money away. We simply recognize that Communist conquest of China is a mortal peril to all Asia; and conquest of Asia constitutes a mortal peril to Europe and to the United States. I cannot accept responsibility for not making every possible effort myself and authorizing the President and the Secretary of State and our Armed Forces to make within reason every possible effort to accomplish this end.

Again:

I do not know that this program will succeed. But I know that if we do not adopt some such program we cannot succeed. Therefore, I must urge the only course which offers some hope.

Again:

We have tried to end the war with the Communists, but we have not really tried to win the war. I wish we had learned earlier what the Chinese knew all along—that the only way to end a war with Communists—anywhere—is to win it. Surely we dare not delay longer.

Further:

Mr. Chairman, this amendment does not compel the administration to do anything if it wants to take the responsibility of doing nothing. But it gives it authority and funds to go ahead in China and southeast Asia if it wants to.

Still further:

If we let China go down completely, how are we going to hold Korea? How are we going to hold Japan unless we spend endless millions of American dollars to feed and support them? How are we going to hold the Philippines? How are we going to hold Indochna, Siam, and Malaya? If we do not use those forces in China which have proved they can and will fight, a million men still in arms, somewhat demoralized now because they see so little hope, but still in the field—if we do not give them moral support, with enough equipment and supplies to carry on relatively small guerrilla operations, and American spark plugs to help and encourage and advise, then we assume a responsibility which, before God and my country and my children, I am unwilling to accept.

A majority was willing to accept the responsibility and the amendment was defeated. Those who voted against it explained that they were saving money. But it did not save money. It was a major factor in discouraging our friends in Asia and encouraging our enemies. It helped embolden the Communists to start the wars in Korea and Vietnam—and for every million dollars saved, the ultimate cost to our people was a hundred millions, not to mention the 33,000 lives and 100,000 other casualties. And the cost of that vote in 1949 still piles up today.

Mr. Speaker, I devoutly hope that my friend from Louisiana [Mr. PASSMAN] is right in his predictions that this bill provides plenty of funds—and that I am wrong. But I am not willing to take that chance now, any more than I was in 1949. I observe that some Members today seem anxious to shift to his shoulders responsibility for their votes, just in case things should go against us in the world picture. I want to do all I can to prevent anything going wrong. I think that is the greatest service I can render to my people, and the way to save them most money in the end.

Mr. Speaker, I hope the Russians will not conclude from the actions of the House this year on mutual security that the American people are softening in their willingness to assist as best we can all who are resisting Communist expansion of every form and kind. The increased Communist truculence at the London Disarmament Conference and their boldness in the Middle East make one suspect they have already drawn such a conclusion.

It is also to be hoped that those being assisted under this program do not have their confidence in us shaken by our reductions—although I fear that such a reaction may become apparent in the months ahead. Actually Americans are not softening or weakening in their opposition to communism; it is just that too many have been lulled into a premature sense of security or have become so anxious to cut down governmental expenditures right now that they are running the grave risk of having to spend a great deal more later.

If, for example, these reductions should require substantial demobilization and resulting demoralization in

Korea, it would become necessary to send back larger United States forces. Similar reactions might very easily develop elsewhere—and spread like an epidemic. If so, we will wind up by increasing our own defense budget by at least a billion dollars for every \$500 million we save in the mutual security appropriations—and get far less national security and economic stability in the process.

Devoutly I hope this estimate is wrong. But the world picture, as I see it, does not permit me to take so reckless a gamble.

Mr. PASSMAN. Mr. Speaker, I move the previous question.

The previous question was ordered.

The SPEAKER. The question is on agreeing to the conference report.

Mr. LONG. Mr. Speaker, on that I ask for the yeas and nays.

The yeas and nays were ordered.

The question was taken; and there were—yeas 194, nays 122, answered “present” 1, not voting 115, as follows:

[Roll No. 220]

YEAS—194

Addonizio	Frazier	Multer
Albert	Freilinghuysen	Mumma
Arends	Friedel	Natcher
Ashley	Fulton	Neal
Auchincloss	Garmatz	O'Brien, Ill.
Avery	Gary	O'Brien, N. Y.
Ayres	Gathings	O'Hara, Ill.
Baker	Granahan	Ostertag
Baldwin	Green, Pa.	Passman
Bass, N. H.	Gregory	Patterson
Bates	Griffin	Pelly
Baumhart	Gubser	Perkins
Becker	Hagen	Pfost
Beckworth	Haei	Philbin
Blatnik	Hardy	Porter
Boggs	Harris	Price
Boland	Haskell	Prouty
Boiling	Hays, Ark.	Rabaut
Boyle	Healey	Radwan
Brooks, Tex.	Hebert	Ray
Broomfield	Heselton	Reuss
Broyhill	Hess	Rhodes, Pa.
Bush	Holland	Roberts
Byrne, Pa.	Holmes	Rodino
Byrnes, Wis.	Hosmer	Rogers, Mass.
Canfield	Huddleston	Santangelo
Carrigg	Hyde	St. George
Celler	James	Saund
Chamberlain	Jenkins	Schenck
Chenoweth	Jones, Ala.	Schwengel
Christopher	Jones, Mo.	Scudder
Chudoff	Judd	Seely-Brown
Clark	Karsten	Seiden
Cooper	Kean	Shelley
Corbett	Kearns	Sheppard
Cramer	Keating	Sieminski
Cretella	Kee	Simpson, Pa.
Curtin	Kelley, Pa.	Sisk
Curtis, Mass.	Kelly, N. Y.	Smith, Miss.
Dague	Kilday	Spence
Davis, Tenn.	King	Springer
Dawson, Ill.	Knutson	Staggers
Delaney	Lane	Stauffer
Dennison	Lankford	Sullivan
Derounian	Latham	Taber
Devereux	McCarthy	Telier
Dingell	McCormack	Tewes
Dixon	McFall	Thornberry
Dollinger	McGovern	Tollefson
Donohue	McIntosh	Trimble
Dooley	Macdonald	Ullman
Durham	Machrowicz	Van Zandt
Dwyer	Madden	Vorys
Eberharter	Magnuson	Wainwright
Elliot	Mahon	Watts
Engle	Marshall	Westland
Evins	Martin	Wildnall
Fallon	Matthews	Wigglesworth
Farbstein	May	Wilson, Calif.
Feighan	Meader	Wolverton
Fenton	Merrow	Wright
Fino	Metcalf	Yates
Forand	Miller, Md.	Zablocki
Ford	Miller, N. Y.	Zelenko
Fountain	Morano	

NAYS—122

Abernethy	Dowdy	Morrison
Adair	Edmondson	Moulder
Alexander	Fisher	Murray
Allen, Ill.	Flynt	Nimtz
Andersen,	Forrester	Norrell
H. Carl	Grant	O'Hara, Minn.
Andresen,	Gray	O'Konski
August H.	Gross	Patman
Andrews	Haley	Poff
Ashmore	Harrison, Nebr.	Poik
Aspinall	Harrison, Va.	Reed
Bailey	Hempill	Rees, Kans.
Baring	Henderson	Rhodes, Ariz.
Bass, Tenn.	Herlong	Riley
Bennett, Fla.	Hoeven	Robeson, Va.
Betts	Hull	Rogers, Colo.
Blitch	Ikard	Rogers, Fla.
Bonner	Jarmar	Rogers, Tex.
Bosch	Jennings	Rutherford
Bow	Jensen	Saylor
Boykin	Johansen	Scherer
Breeding	Jonas	Scott, N. C.
Brown, Ga.	Keeney	Shuford
Brown, Mo.	Kigore	Smith, Va.
Brown, Ohio	Kitchin	Smith, Wis.
Brownson	Knox	Steed
Budge	Laird	Talle
Burdick	Lennon	Teague, Tex.
Burleson	Long	Thomas
Byrd	McCulloch	Thompson, La.
Byrne, Ill.	McGregor	Thomson, Wyo.
Cheff	McIntire	Tuck
Church	McMillan	Utt
Collier	McVey	Van Pelt
Coimer	Mack, Wash.	Weaver
Cooley	Michel	Whitener
Cunningham,	Miller, Nebr.	Whitten
Nebr.	Milis	Williams, Miss.
Curtis, Mo.	Minshall	Willis
Davis, Ga.	Montoya	Willson, Ind.
Dawson, Utah	Moore	Winstead
Dorn, S. C.	Morris	

ANSWERED “PRESENT”—1

Poage

NOT VOTING—115

Abbitt	George	Nicholson
Aiger	Gordon	Norblad
Allen, Calif.	Green, Oreg.	O'Neill
Anderson,	Griffiths	Osmers
Mont.	Gwynn	Pilcher
Anfuso	Halieck	Pillion
Barden	Harden	Powell
Barrett	Harvey	Preston
Beamer	Hays, Ohio	Rains
Beicher	Hiestand	Reece, Tenn.
Bennett, Mich.	Hill	Riehman
Bentley	Hilliings	Rivers
Berry	Hoffman	Robson, Ky.
Boiton	Holifield	Rooney
Bray	Holt	Roosevelt
Brooks, La.	Holtzman	Sadlak
Buckley	Horan	Scott, Pa.
Cannon	Jackson	Scrivner
Carnahan	Johnson	Sheehan
Cederberg	Kearney	Sikes
Chiperfield	Keogh	Siler
Clevenger	Kilburn	Simpson, Ill.
Coad	Kirwan	Smith, Calif.
Coffin	Kluczynski	Smith, Kans.
Cole	Krueger	Taylor
Coudert	Landrum	Teague, Calif.
Cunningham,	Lanham	Thompson, N. J.
Iowa	LeCompte	Thompson, Tex.
Dellay	Lesinski	Udall
Dempsey	Lipscomb	Vanik
Denton	Loser	Vinson
Dies	McConnell	Vursell
Diggs	McDonough	Walter
Dorn, N. Y.	Mack, Ill.	Wharton
Doyle	Mailiard	Wler
Fascell	Mason	Williams, N. Y.
Flood	Miller, Calif.	Withrow
Fogarty	Morgan	Young
Gavin	Moss	Younger

So the conference report was agreed to.

The Clerk announced the following pairs:

On this vote:

Mr. Johnson of Wisconsin for, with Mr. Poage against.

Mr. Hollfield for, with Mr. Hoffman against.

Mr. Younger for, with Mr. Barden against.

Mr. Denton for, with Mr. Beamer against.

Mr. Flood for, with Mr. Sikes against.

Mr. Keogh for, with Mr. Preston against.
 Mr. Walter for, with Mr. Dempsey against.
 Mr. Holtzman for, with Mr. Pilcher against.
 Mr. Lanham for, with Mr. Dies against.
 Mr. Vinson for, with Mr. Brooks of Louisiana against.

Mrs. Bolton for, with Mr. Mason against.
 Mr. Allen of California for, with Mr. Krueger against.

Mr. Buckley for, with Mr. Hiestand against.

Mr. Anfuso for, with Mr. McDonough against.

Mr. Jackson for, with Mr. Siler against.

Mr. Hillings for, with Mr. Scrivner against.

Mr. Vursell for, with Mr. Harvey against.

Mrs. Griffiths for, with Mr. Kluczynski against.

Mr. Sadlak for, with Mr. Withrow against.

Mr. Horan for, with Mr. Kearney against.

Mr. Taylor for, with Mr. Alger against.

Mrs. Harden for, with Mr. Bentley against.

Mr. Hays of Ohio for, with Mr. Reece of Tennessee against.

Mr. Chiperfield for, with Mr. Cederberg against.

Mr. Cunningham of Iowa for, with Mr. Smith of California against.

Mr. Rooney for, with Mr. Clevenger against.

Mr. Gordon for, with Mr. Bray against.

Mr. Mailliard for, with Mr. Simpson of Louisiana against.

Mr. Coudert for, with Mr. Gavin against.

Mr. Riehlman for, with Mr. Lipscomb against.

Mr. Osmers for, with Mr. Bennett of Michigan against.

Mr. Teague of California for, with Mr. Wharton against.

Mr. Fogarty for, with Mr. Berry against.

Mr. Barrett for, with Mr. Nicholson against.

Mr. Roosevelt for, with Mr. Gwinn against.

Mr. Miller of California for, with Mr. Landrum against.

Mr. Raines for, with Mr. Belcher against.

Mr. Udall for, with Mr. Sheehan against.

Mr. Kirwan for, with Mr. Abbott against.

Mr. Scott of Pennsylvania for, with Mr. Young against.

of this session of the Congress and the most urgent business before us is the approval of this measure to appropriate additional billions of dollars for foreign aid. It is bad enough to see these vast sums of American tax dollars going overseas to help other nations with no end apparently in sight, but it is even worse to me personally when I think of the economic needs of our own basic industry—American agriculture—and of our farm people and note that not one significant and constructive farm measure has been enacted at this session.

Who is to blame for this flagrant neglect of our most serious domestic problem? On whose shoulders will 5 million farm families place the responsibility for failure to recognize and meet their most pressing problem? To whom will the business and working people, such as the farm implement manufacturers and dealers, look for the reason for lost sales in rural America?

In my judgment, the failure to act is chargeable both to the Democratic majority of this Congress and to the administration which has kept in office a Secretary of Agriculture who is not in sympathy with price-support programs and whose only solution for farm problems seems to be the lowering of farm commodity prices.

The Democratic leadership in Congress is responsible because it has had a good working majority and could have passed constructive farm legislation any time it was of a mind to do so. It cannot be said that this failure to act was due to the lack of understanding of the problems or a lack of ideas for their solution. Witnesses from the great farm organizations, many farmers themselves, and numerous Members of Congress made appearances before the House Committee on Agriculture to bear witness as to the gravity of the need and to propose constructive legislation. In addition, many able Congressmen saw their bills languish before the committee with no positive action. I personally made two appearance before that great committee to urge action on several critical problems and we are still waiting for answers.

I want to be fair as I always try to be, and that requires me to say that it is my considered judgment that the other major contributing factor to this stalemate in farm programs is the retention in office of a Secretary of Agriculture whose basic philosophy is opposed to the type of agricultural price supports we feel we must have. Again, I say that there has been no need for this as I personally have repeatedly urged his replacement and I know that many others have done likewise. It cannot be said that he is indispensable because there are available men, like our distinguished former colleague, the Honorable Clifford Hope, of Kansas, who could almost overnight reverse this deplorable trend in our farm economy if they were given the office and authority of Secretary of Agriculture.

Mr. Speaker, it was not my purpose in rising today to merely criticize others for their failure to act on these basic domestic problems of agriculture. I

want to do more than that in these closing hours. It is my hope, Mr. Speaker, that every Member of the House will give this matter some serious thought in the months ahead and come back in January resolved to do something constructive in the way of legislative action.

We have experienced some unfortunate sectional differences during this session. I have not been party to them, but I recognize that they do exist. We have seen partisan politics enter into the farm program, and we all deplore that. We have seen one commodity pitted against the other in the legislative arena, and that must never happen again.

Let us come back next January firm in our determination to set aside partisan, sectional, and any other differences we may have and dedicate ourselves to the enactment of constructive farm legislation. Let us hope that we will at that time have a new Secretary of Agriculture in whom we can place our confidence and who will cooperate with us in our efforts to reach this common objective. Above all else, come what may, let us try to do something worth while early next year for the farmers of America.

Mr. PASSMAN. Mr. Speaker, I move the previous question.

The previous question was ordered.

The SPEAKER. The question is on the motion.

The motion was agreed to.

A motion to reconsider the votes by which action was taken on the several motions was laid on the table.

GENERAL LEAVE TO EXTEND REMARKS

Mr. PASSMAN. Mr. Speaker, I ask unanimous consent that all Members be granted permission to extend their remarks in the RECORD on the bill just passed.

The SPEAKER. Is there objection to the request of the gentleman from Louisiana?

There was no objection.

CORRECTION OF RECORD

Mr. PASSMAN. Mr. Speaker, the mutual security appropriation bill conference report as it appears on page 14800 of the CONGRESSIONAL RECORD contains a typographical error. Amendment No. 7 sets forth the figure at \$49 million, whereas the correct figure is \$40 million, as reflected in the printed conference report, No. 1268. I ask unanimous consent that the permanent RECORD be corrected accordingly.

The SPEAKER. Is there objection to the request of the gentleman from Louisiana?

There was no objection.

Mr. REES of Kansas. Mr. Speaker, I regret I cannot go along with the sponsors of this legislation to provide additional billions for foreign aid, also described as "mutual aid." I realize there are some items in this bill that are laudable, but we are required to vote for or

The result of the vote was announced as above recorded.

The SPEAKER. The Clerk will report the amendment in disagreement.

The Clerk read as follows:

Senate amendment No. 15: On page 4, line 1, insert "which shall remain available until September 30, 1958."

Mr. PASSMAN. Mr. Speaker, I move that the House recede and concur in the Senate amendment, and pending that I yield 2 minutes to the gentleman from Minnesota [Mr. H. CARL ANDERSEN].

Mr. H. CARL ANDERSEN. Mr. Speaker, here we are in the closing hours

Public Law 85-279
85th Congress, H. R. 9302
September 3, 1957

AN ACT

Making appropriations for Mutual Security for the fiscal year ending June 30, 1958, and for other purposes.

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That the following sums are appropriated, out of any money in the Treasury not otherwise appropriated, for the fiscal year ending June 30, 1958, namely:

Mutual Security Appropriation Act, 1958.

MUTUAL SECURITY

FUNDS APPROPRIATED TO THE PRESIDENT

For expenses necessary to enable the President to carry out the provisions of the Mutual Security Act of 1954, as amended, to remain available until June 30, 1958 unless otherwise specified herein, as follows:

Military assistance: For assistance authorized by section 103 (a) Ante, p. 355. to carry out the purposes of title I, chapter 1 (including administrative expenses as authorized by section 103 (b), which shall not exceed \$23,500,000 for the fiscal year 1958), \$1,340,000,000, to remain available until December 31, 1958; and in addition not to exceed \$538,800,000 of unobligated and unreserved balances of funds heretofore made available for purposes of section 103 (a) and section 104 are continued Ante, p. 356. available until December 31, 1958 for the purposes of section 103 (a);

Defense support: For assistance authorized by section 131 (b), Ante, pp. 356, 357. \$689,000,000; and in addition \$36,000,000 of unobligated balances of funds heretofore made available for purposes of section 131 are continued available for the purposes of that section: *Provided*, That not less than \$40,000,000 thereof shall be available for Spain, exclusive of technical cooperation;

Development assistance: Not to exceed \$52,000,000 of unobligated balances of funds heretofore made available for purposes of development assistance are hereby continued available for the purposes for which originally appropriated;

Development Loan Fund: For advances to the Development loan fund as authorized by section 203, \$300,000,000, to remain available Ante, p. 358. until expended;

Technical cooperation, general authorization: For assistance authorized by section 304, \$113,000,000; and in addition not to exceed \$12,000,000 of unobligated balances of funds heretofore made available for purposes of section 304 are continued available for the purposes of that section;

United Nations expanded program of technical assistance: For contributions authorized by section 306 (a), \$15,500,000; Ante, p. 359.

Technical cooperation programs of the Organization of American States: For contributions authorized by section 306 (b), \$1,500,000; Ante, p. 360.

Special assistance, general authorization: For assistance authorized by section 400 (a), \$225,000,000: *Provided*, That not less than \$10,000,000 shall be available for Guatemala;

Special assistance in joint control areas in Europe: For assistance authorized by section 403, \$11,500,000 which shall remain available Ante, p. 361. until September 30, 1958;

Intergovernmental Committee for European Migration: For contributions authorized by section 405 (a), \$12,500,000: *Provided*, That Ante, p. 361.

Ante, p. 361.
Ante, p. 361.
Ante, p. 361.
Ante, p. 361.

no funds appropriated in this Act shall be used to assist directly in the migration to any nation in the Western Hemisphere of any person not having a security clearance based on reasonable standards to insure against Communist infiltration in the Western Hemisphere;

United Nations Refugee Fund: For contributions authorized by section 405 (c), \$2,233,000;

Escapee program: For assistance authorized by section 405 (d), \$5,500,000;

United Nations Children's Fund: For contributions authorized by section 406, \$11,000,000;

United Nations Relief and Works Agency: Not to exceed \$23,800,000 of unobligated balances of funds heretofore made available for purposes of section 407 are continued available for purposes of that section;

North Atlantic Treaty Organization: For contributions for the construction of the North Atlantic Treaty Organization civilian headquarters as authorized by section 408, \$1,500,000;

Ocean freight charges, United States voluntary relief agencies: For payments authorized by section 409 (c), \$2,200,000;

Control Act expenses: For carrying out the purposes of the Mutual Defense Assistance Control Act of 1951, as authorized by section 410, \$1,000,000;

General administrative expenses: For expenses authorized by section 411 (b), \$32,750,000;

Atoms for Peace: Not to exceed \$4,450,000 of unobligated balances of funds heretofore made available for purposes of section 12 of the Mutual Security Act of 1956 are hereby continued available for the purposes of section 419;

70 Stat. 565.
22 USC 1939.
Ante, p. 362.
68 Stat. 830.
31 USC 200.
71 Stat. 602.
71 Stat. 603.

Funds appropriated under each paragraph of this Act (other than appropriations under the head of military assistance), including specified amounts of unobligated balances, and amounts certified pursuant to section 1311 of the Supplemental Appropriation Act, 1955, as having been obligated against appropriations heretofore made for the same general purpose as such paragraph, which amounts are hereby continued available (except as may otherwise be specified in this Act) for the same period as the respective appropriations in this Act for the same general purpose, may be consolidated in one account for each paragraph.

DEPARTMENT OF STATE

Ante, p. 362.

Administrative expenses: For expenses of the Department of State as authorized by section 411 (c) of the Mutual Security Act of 1954, as amended, \$4,577,000.

GENERAL PROVISIONS

Publicity or propaganda.

SEC. 102. No part of any appropriation contained in this Act shall be used for publicity or propaganda purposes within the United States not heretofore authorized by the Congress.

Engineering fees.
Report to Congress.

SEC. 103. Payments made from funds appropriated herein for engineering fees and services to any individual engineering firm on any one project in excess of \$25,000 shall be reported to the Committees on Appropriations of the Senate and House of Representatives at least twice annually.

Foreign currency.
66 Stat. 662.
31 USC 724.

SEC. 104. Pursuant to section 1415 of the Supplemental Appropriation Act, 1953, and in addition to other amounts made available pursuant to said section, not to exceed the equivalent of \$300,000 of foreign

currencies or credits owed to or owned by the United States shall remain available until expended, without reimbursement to the Treasury, for liquidation of obligations incurred against such currencies or credits prior to July 1, 1953, pursuant to authority contained in the Mutual Security Act of 1951, as amended, and Acts for which funds were authorized by that Act and, hereafter, foreign currencies generated under the provisions of this Act shall be utilized only for the purposes for which the funds providing the commodities which generated the currency were appropriated.

65 Stat. 373.
22 USC 1651 note.

SEC. 105. None of the funds provided by this Act nor any of the counterpart funds generated as a result of assistance under this or any other Act shall be used to make payments on account of the principal or interest on any debt of any foreign government or on any loan made to such government by any other foreign government; nor shall any of these funds be expended for any purpose for which funds have been withdrawn by any recipient country to make payment on such debts: *Provided*, That to the extent that funds have been borrowed by any foreign government in order to make a deposit of counterpart and such deposit is in excess of the amount that would be required to be deposited pursuant to the formula prescribed by section 142 (b) of the Mutual Security Act of 1954, as amended, such counterpart may be used in such country for any agreed purpose consistent with the provisions of such Act.

69 Stat. 285.
22 USC 1852.

SEC. 106. Except for the appropriations entitled "Special assistance, general authorization" and "Development loan fund", not more than 20 per centum of any appropriation item made available by this Act shall be obligated and/or reserved during the last month of availability.

Restriction.

SEC. 107. None of the funds made available by this Act shall be used to carry out the purposes of the first sentence of section 400 (c) of the Mutual Security Act of 1954, as amended.

Ante, p. 360.

SEC. 108. The appropriations and authority with respect thereto in this Act shall be available from July 1, 1957, for the purposes provided in such appropriations and authority. All obligations incurred during the period between June 30, 1957, and the date of enactment of this Act in anticipation of such appropriations and authority are hereby ratified and confirmed if in accordance with the terms hereof.

Availability of funds and authority.

71 Stat. 603.

71 Stat. 604.

SEC. 109. The Congress hereby reiterates its opposition to the seating in the United Nations of the Communist China regime as the representative of China, and it is hereby declared to be the continuing

Seating of Communist China in U.N., opposition.

sense of the Congress that the Communist regime in China has not demonstrated its willingness to fulfill the obligations contained in the Charter of the United Nations and should not be recognized to represent China in the United Nations. In the event of the seating of representatives of the Chinese Communist regime in the Security Council or General Assembly of the United Nations, the President is requested to inform the Congress insofar as is compatible with the requirements of national security, of the implications of this action upon the foreign policy of the United States and our foreign relationships, including that created by membership in the United Nations, together with any recommendations which he may have with respect to the matter.

Presidential report to Congress.

SEC. 110. This Act may be cited as the "Mutual Security Appropriation Act, 1958".

Short title.

Approved September 3, 1957.

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